JPRS 83717

20 June 1983

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 2, February 1983

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Translation of the Russian-language monthly journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

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PUBLICATION DATA

English title	: USA: ECONOMICS, POLITICS, IDEOLOGY No 2, February 1983
Russian title	: SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA
Author (s)	:
Editor (s)	: N. D. Turkatenko
Publishing House	: Izdatel'stvo Nauka
Place of Publication	: Moscow
Date of Publication	: February 1983
Signed to press	: 20 January 1983
Copies	: 30,800
COPYRIGHT	: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1983

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Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 1-2

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CSO: 1803/7

REAGAN ADMINISTRATION POLICY ON NUCLEAR NONPROLIFERATION CRITICIZED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 7-16

[Article by V. F. Davydov: "The United States and Nuclear Nonproliferation"]

[Text] Soviet Minister of Foreign Affairs A. A. Gromyko's speech at the second special session of the UN General Assembly on disarmament says: "The thorough reinforcement of regulations governing the nonproliferation of nuclear weapons has been and is a primary objective in the efforts to curb the nuclear arms race. We cannot permit a situation in which measures are taken to reduce the danger of nuclear war while nuclear weapons continue to spread throughout the world."[1]

The Treaty on the Nonproliferation of Nuclear Weapons (1968) has now been signed and ratified by 118 states. It is significant, however, that the treaty has not been signed by two of the five nuclear powers--the PRC and France (the others are the USSR, the United States and England). On the whole, around 50 countries are not party to it as yet. The development of the technological revolution and the expansion of intergovernmental cooperation, including cooperation in the use of nuclear technology and materials, have been accompanied by a continuous increase in the number of countries with the material potential to create a nuclear weapon. According to the estimates of Western experts, there were 20 such "near-nuclear" or "threshold" countries by the beginning of the 1980's and the number could double by the year 2000. By this time the quantity of plutonium accumulated just in non-nuclear states as a result of the operation of nuclear power plants would be sufficient for the annual production of 30,000 atomic bombs, each of which would be equivalent in force to the bomb dropped on Nagasaki.[2] For example, some Western experts now include Israel among the countries with the potential to produce a nuclear weapon. In 1979 and 1980 secret bright explosions were seen near the South African coastline. According to Western experts, they resembled nuclear explosions. Intensive efforts are being made to create nuclear devices in Pakistan.

According to various sources, Argentina, Brazil and the South Korean and Taiwan regimes are also "near-nuclear" countries.

The issue of nuclear nonproliferation was firmly established as a central issue of international politics in the 1970's. International detente and the

detailed and constructive U.S.-Soviet dialog on strategic arms limitation were factors with an impressive positive effect on the resolution of problems in nuclear nonproliferation. The United States and the USSR worked together in the creation and functioning of the "Club of London"--representing countries exporting nuclear technology and materials. The code of principles and rules adopted by the exporting countries in 1978 to prevent the misuse of peaceful nuclear technology was largely a result of the realization that the further spread of nuclear weapons would endanger all countries without exception. An international convention on the physical protection of nuclear materials, which was ready to be signed in 1980, was drawn up under the auspices of the International Atomic Energy Agency (IAEA) with the active participation of the United States and the USSR.

As depositary states of the text of the nonproliferation treaty, the USSR and United States did much to increase the number of its signatories and worked together constructively in the planning of all-encompassing IAEA control over the use of atomic energy by non-nuclear states. The USSR initiated a discussion in the Disarmament Commission on stronger assurances of security for the states undertaking not to manufacture nuclear weapons. The Soviet-American SALT negotiations and the trilateral talks with Great Britain on a comprehensive nuclear test ban were viewed as positive developments by the majority of non-nuclear countries, which saw them as evidence that the nuclear powers conducting the policy of nonproliferation would fulfill their mutual obligation to limit nuclear arms. Soviet-U.S. interaction frustrated South Africa's attempt to test a nuclear weapon in 1977. The experience of the 1970's clearly shows that the successful resolution of the urgent and extremely complex problems of nuclear nonproliferation can be expected only in the presence of close Soviet-American mutual understanding and interaction.

Washington's efforts to escalate international tension and the nuclear arms race and to destroy positive achievements in the limitation of nuclear weapons at the end of the 1970's and the beginning of the 1980's had a negative effect on the resolution of nuclear nonproliferation problems. The unilateral refusal of the United States to ratify the SALT II treaty and its efforts to impede and stop the talks on the comprehensive nuclear test ban kept the second conference of the nonproliferation treaty's signatories in Geneva in 1980 from planning ways of reinforcing nonproliferation regulations. The probability that South Africa, Israel and Pakistan would openly begin manufacturing nuclear weapons grew stronger. It is an even more alarming fact that "cold war" sentiments prevail in Washington and are having a deleterious effect on international security in the complex atmosphere of the 1980's, now that coordinated action by the USSR and the United States in the sphere of nonproliferation is so necessary.

During his campaign Ronald Reagan announced that "nonproliferation is not our affair," that Pakistan could set off an atomic bomb as long as it allowed squadrons of American planes to use its territory,[3] and so forth. We could assume that these irresponsible statements were made in a campaign frenzy if their echoes and openly anti-Soviet spirit of confrontation were not the prevailing element in Washington's current official approach to the problem of nuclear nonproliferation.

Officially, the U.S. administration now recognizes the high priority of the nonproliferation issue, calling it "one of the main objectives of national security and U.S. foreign policy."[4] The basic guidelines of U.S. policy on nonproliferation were announced by the President on 16 July 1981. They included traditional guidelines, such as continued support of the nonproliferation treaty, attempts to increase the number of its signatories and to heighten the reliability of IAEA security assurances, a willingness to cooperate more effectively with other countries to neutralize the danger of proliferation and several others. At the same time, the U.S. President's statement also reflected new, and what might be termed destructive, features introduced by the Republican administration into the official approach to nuclear nonproliferation.

Nuclear Exports and International Control

The development of the so-called "plutonium economy" in other Western countries and the extensive industrial use of plutonium in breeders, complicating the control of this dangerous fissionable material, seriously disturbed the previous American administration. At that time the prevailing view in Washington was that the degree of the danger of nuclear proliferation would depend on the developmental level of peaceful nuclear power engineering in a specific country.[5] This was the view of the authors of the U.S. law passed in 1978 on nuclear export controls. The law stipulates, in particular, the need to review all U.S. agreements with other states in the nuclear sphere and to stop the work on the derivation of plutonium from the spent fuel of nuclear power plants. Professor L. Friedman from the Royal College (London) remarked that Americans were inclined to view the proliferation of nuclear technology as an epidemic which would spread to other states.[6]

In a number of cases, this approach inevitably ignored the legitimate interests of other states with regard to the peaceful use of atomic energy and viewed nuclear power engineering as the main culprit in the proliferation of nuclear weapons.

The methods used by the United States to prescribe the development of nuclear power engineering to other countries led to a situation in which the positive goal of preventing the misuse of nuclear materials was relegated to a position of secondary importance and was not comprehensible to the non-nuclear states which had undertaken not to manufacture nuclear weapons in accordance with the treaty on nonproliferation. They were increasingly inclined to point out the fact that Washington's attempts to set specific limits on the development of nuclear power engineering contradicted Article IV of the treaty, envisaging the fullest possible international cooperation in the peaceful use of the atom.

After encountering these protests, the United States had to reassess the nature and interrelations of the development of peaceful nuclear power engineering and the spread of nuclear weapons. The majority of American experts now believe that the interrelationship can no longer be exaggerated to such a degree, particularly in the case of countries which have undertaken not to manufacture nuclear weapons. In their opinion, a country which decides to manufacture an

atomic bomb would find that the use of the peaceful atomic industry for this purpose would be inconvenient from the technological, the economic and especially the political standpoint. It would be most likely to secretly build facilities designed expressly for military purposes.[7]

These beliefs are reflected in the current administration's program in a unique way. After refusing to lean toward one extreme in the matter of nonproliferation, the United States chose the opposite extreme, which is much more dangerous. Important nuclear export control issues were relegated to a position of secondary importance to make way for the main objective of making up for the time the American monopolies had lost in nuclear resource markets. President Reagan has stressed that the United States intends to play the leading role in the world market in the nuclear sphere and regain its reputation as a "reliable supplier" of nuclear technology and materials. For this purpose, plans were made to simplify the procedure for the issuance of licenses for the export of nuclear technology and materials to countries party to the nonproliferation treaty, and the revision of some restrictive provisions of the 1978 act has also been planned.

After announcing its intention to once again play the leading role in nuclear resource markets, the U.S. administration began to openly encourage companies seeking unrestricted trade in nuclear technology. As the WASHINGTON POST correctly noted on 20 July 1981, the very term "reliable supplier" means only one thing to representatives of the nuclear business: "Concern with nonproliferation issues must not interfere with the trade in nuclear technology and materials." Many American researchers have warned repeatedly that the race for profits will undermine the effectiveness of nonproliferation efforts. According to political scientists G. Duffy and G. Adams, for example, the cynical attitude and unprincipled behavior of representatives of the atomic business and their reluctance to be bound by any kind of restrictions in the trade in dangerous nuclear equipment "could actually increase the risk of proliferation."[8] After sanctioning the work being performed in the United States to develop equipment for the regeneration of plutonium from the spent fuel of nuclear power plants and to incorporate breeders operating on plutonium, Washington announced that it would not interfere with such projects in other states where "there is no danger of the proliferation of nuclear weapons."

An important consideration underlying this decision is the administration's desire to use nuclear power engineering less for peaceful than for military purposes--for the accumulation of fissionable materials that might serve as raw material in the production of nuclear weapons. The administration has increased the allocations for research into the methods of processing the plutonium waste of nuclear power plants for military needs and is negotiating with Australia on the exchange of secret uranium concentration technology for shipments of Australian fissionable materials, and with England on the purchase of English plutonium for military needs.

At the beginning of 1982 the American press reported that the United States plans to use the waste products of nuclear reactors on a broad scale for a sharp increase in the production of nuclear warheads in accordance with the unprecedented program announced earlier for a nuclear arms buildup. According

to the calculations of C. Van Doren, former assistant to the director of the Arms Control and Disarmament Agency, the plutonium accumulated in the waste products of American nuclear power plants is already sufficient for the manufacture of 5,000 such warheads. The United States, which objected for years to the use of these products in the manufacture of bombs, is now showing other countries how to do this.

Although the American administration is conducting a new export policy in the nuclear sphere, it has nonetheless had to take the provisions of the 1978 act into account to some degree. For example, Washington announced officially that it would not transfer nuclear materials and technology if the danger of nuclear proliferation exists. It simultaneously underscored the need to reach agreements on IAEA guarantees covering all types of activity in the nuclear sphere in all non-nuclear states.

Time will tell how closely its behavior conforms to its words. After all, the United States has reserved the right to not apply these restrictions, at its own discretion, to countries not party to the nonproliferation treaty, the most prominent of which is racist South Africa. Washington plans to send South Africa concentrated uranium in exchange for uranium ore for the needs of the U.S. military industry.

With a view to the coming 1983 UN conference on international cooperation in the use of nuclear energy for peaceful purposes, the United States is paying more attention to international control over exports of nuclear materials. After declaring its intention to work with other countries in the search for ways of heightening the reliability of IAEA controls, it warned that any violation of control agreements in non-nuclear countries would have "serious implications" in the bilateral relations of these countries with the United States. Nevertheless, some tendencies in the current administration's policy on the export of nuclear technology and materials could complicate the resolution of the problem of heightening the effectiveness of international control over the use of atomic energy only for peaceful purposes. On 31 March 1982 the WASHINGTON POST reported with alarm that "the worst that could happen to U.S. interests in the area of security is the adoption of measures which might easily and completely nullify the impact of existing nuclear nonproliferation regulations." Many prominent American experts now agree with this view.

Many Americans, however, would rather close their eyes to this long-range prospect and continue restoring the American monopolies' dominant position in the world markets of nuclear materials and accumulating important strategic raw materials for their nuclear weapons.

'Weakened Incentives' and Other Ideas

In an attempt to justify its policy on the sale of nuclear technology and materials, Washington armed itself with the thesis that the main element in the policy of nuclear nonproliferation is not the technical measures pertaining to nuclear power engineering, but political measures--for example, measures to "weaken the incentives" of non-nuclear states to acquire their own nuclear weapons. In particular, President Reagan said: "In the final analysis,

the success of our efforts will depend on our ability...to weaken the incentives other countries might have to acquire nuclear explosive devices."[9]

But this would presuppose the institution of effective measures to lower the level of tension in crisis zones, the assumption of firm commitments by nuclear states on the non-use of nuclear weapons against countries which do not possess these weapons and do not have them within their territory, the creation of nuclear-free zones and the accomplishment of real nuclear arms limitation. In short, specific measures must be taken to create permanent negative feelings about these weapons in the world.

Judging by all indications, Washington is still a long way from interpreting the thesis of "weakened incentives" in this way. On the contrary, it is obvious that the Republican administration believes that the best way of "weakening incentives" consists in reinforcing existing military alliances, expanding military commitments, increasing arms shipments and engaging in close military-political cooperation with the "near-nuclear" states. Experts who serve the administration's conceptual needs have suggested that the bloc policy, based on U.S. nuclear strength, might be the only guarantee of nonproliferation in the future. For this reason, and ostensibly for the sake of nonproliferation, the United States is supposed to strengthen military ties with non-nuclear states, particularly those which are close to the manufacture of nuclear weapons, and gain their consent to the deployment of American armed forces and, if possible, American nuclear weapons within their territory.

The attempts to "weaken the incentives" of other countries to acquire nuclear weapons on this basis will inevitably inflict serious damage on nonproliferation efforts.

The U.S. administration's obsessive anti-Sovietism has already diminished its opposition to Pakistan's nuclear ambitions; Israel and South Africa are cleverly using the U.S. interest in augmenting their contribution to imperialism's global strategy for the implementation of their own nuclear plans. Furthermore, the administration is obviously overestimating its ability to influence the "near-nuclear" countries.

Washington has promised to give Pakistan 3.2 billion dollars in military-economic aid over a period of 5 years and has decided to sell Islamabad 40 F-16 fighter-bombers, which can also be used as a means of delivering nuclear weapons. Under the cover of all the loud statements about the need to "weaken incentives," the Reagan Administration convinced the Congress to repeal the "Symington Amendment" (1976) to the military assistance act, which prohibited the shipment of weapons to countries conducting secret operations in the nuclear sphere.

Officials in Washington maintain that shipments of conventional weapons to Pakistan and the disposition of American armed forces in this country will supposedly slow down Pakistan's nuclear preparations and might even have a stabilizing effect on the situation in South Asia. The United States is trying to convince the world public that it was responsible for Pakistan's postponement of the nuclear test it planned to conduct at the end of 1982.

It is clear, however, that if Islamabad did make this decision, it was dictated by its desire to acquire as much American military equipment as possible before openly declaring itself a new nuclear state.

The military shipments to the Zia-ul-Haq regime and Washington's plans to interfere in the affairs of the countries of the Indian subcontinent have already led to a perceptible increase in military-political tension in South Asia. Islamabad's nuclear ambitions have aroused legitimate worries in neighboring India, which has announced that it will have to take the appropriate measures if Pakistan becomes a nuclear state. In connection with this, American political scientist S. Harrison remarked: "The United States is increasing the danger that military actions with the use of conventional weapons in South Asia might grow into a nuclear conflict."[10]

The United States' so-called strategic cooperation with another "near-nuclear" state--Israel--is blooming with magnificant militaristic flowers. The Israeli military establishment's barbarous treatment of the Palestinian and Lebanese people is one of the results of this cooperation. Washington regularly sends large shipments of modern weapons to Tel-Aviv and gives it military-economic assistance. In fiscal year 1983 alone (beginning on 1 October 1982), Israel is to receive 2.5 billion dollars in American military-economic aid. But according to the CIA's estimates, Israel is progressing rapidly toward the development of missiles for the delivery of nuclear weapons.

With the connivance of the United States, in June 1981 Israel made a piratical raid on a nuclear reactor in Iraq, which was under IAEA control. This action gave the international community some idea of the sinister prospect of "reactor" conflicts which could evolve into undisguised nuclear confrontations and was interpreted as an attempt to discredit the universally accepted system of international control over the use of atomic energy for peaceful purposes. Tel-Aviv's unconcealed intentions to continue committing such actions could accelerate, even according to the estimates of American experts, the spread of nuclear weapons throughout the Middle East.[11]

Most of the signatories of the nonproliferation treaty believe that Israel's behavior is inconsistent with its membership in the IAEA. In October 1982 the delegates to the 26th Session of the IAEA General Conference in Vienna decided that the deliberate destruction of civilian atomic facilities would henceforth be regarded as tantamount to a nuclear attack. Expressing the wishes of the signatories of the nonproliferation treaty, the Soviet Union requested the 37th Session of the UN General Assembly to consider "the augmentation of efforts to eliminate the danger of nuclear war and guarantee the safe development of nuclear power engineering." A resolution condemning the deliberate destruction of civilian nuclear facilities was approved by the overwhelming majority of states at the UN General Assembly session.

American ruling circles openly advocate broader military-political cooperation with the racist regime in South Africa, which has never concealed its plans to acquire its own nuclear weapons. For example, L. Barnard, the head of the South African intelligence service, has said that a nuclear weapon should be developed before it is too late to use it "as a last resort" in the struggle

against the national liberation movement in the southern half of the African continent. But this does not embarrass Washington. The American President calls South Africa a "friend and ally." The NATO bloc hopes to acquire military bases within its territory and to coordinate the NATO naval formations with South African forces in the spot where the Atlantic and Indian Oceans meet.

The U.S. line of strengthening the military potential of Pakistan, Israel and South Africa and of expanding military-political cooperation with states that are willing to openly challenge the system of nuclear nonproliferation raises a number of questions about Washington's policy on this matter.

It is significant that the matter is now the subject of heated debates by American experts. The advocates of power politics in relations with the USSR are openly advising Washington to not curb the nuclear ambitions of the "near-nuclear" states. For example, P. Zinner has said that the United States should take advantage of the opportunity to proliferate nuclear weapons because the new nuclear states that are allies or friends of the United States and are located near the USSR's southern border will create an additional threat to that country, and this will facilitate Washington's attainment of global military-strategic advantages.[12] This opinion is shared by Professor K. Waltz from the University of California (Berkeley), who stated in his book "The Spread of Nuclear Weapons: More May Be Better" that the selective proliferation of nuclear weapons is not contrary to the U.S. interest.[13]

The opposite view has been expressed by the experts who realize that the further growth of the "nuclear club" will not only weaken international security in general but will also harm U.S. interests. In their opinion, the "selective proliferation" of nuclear weapons will unavoidably lead to the spread of these weapons throughout the world; the process will affect regions in direct proximity to the United States--Latin America, for example. In a POLITICAL SCIENCE article, Harvard University Professor J. Nye made the caustic remark that "trying to correct U.S. strategic weaknesses by encouraging nuclear proliferation is like treating a pulled ligament by amputating the entire leg." Nuclear nonproliferation, he says, should not be the object of "political games." "We will seriously damage our national security if we ignore the issue of nonproliferation, which is a sphere of mutual U.S. and Soviet interests."[14]

In a report on nuclear nonproliferation controls, prepared in 1982 under the auspices of the Hudson Institute, L. Dunn, special State Department adviser on nuclear affairs, expresses the opinion that the time has come for the United States and USSR to begin considering how they might react if other states should start using nuclear weapons in conflicts with one another.

Congress is also worried that the appearance of new nuclear states might sharply increase the probability of a global nuclear catastrophe because a conflict between these states would heighten the risk of the involvement of other nuclear states. In May 1982 Senator G. Hart and Congressman R. Ottinger introduced a resolution requesting the White House to take steps to strengthen nonproliferation regulations.

Although Washington has officially preferred to maintain that it is adhering to the policy of restraining the nuclear preparations of "threshold" countries, the facts testify to the opposite. What is more, a section of Secretary of Defense C. Weinberger's report to the Congress states that the further spread of nuclear weapons among countries with no missiles for their delivery will not weaken U.S. security.[15]

This statement is obviously nothing other than an attempt to calm the fears of the Congress and of U.S. public opinion with regard to the prospect of nuclear proliferation.

Another fact is also alarming. Some popular theories in the West essentially question the possibility and expediency of a consistent policy of nuclear nonproliferation. Some people are alleging with increasing frequency that the possession of nuclear weapons by two conflicting sides can stabilize their political relations and that the fear of a nuclear catastrophe will reduce the risk of military operations involving the use of conventional weapons. In short, they are alleging that nuclear weapons can play a peace-keeping role in relations between countries.[16] At the same time, the official statements of U.S. administration spokesmen about the possibility of fighting a "limited" nuclear war are engendering dangerous illusions in the ruling circles of several "near-nuclear" states, suggesting that nuclear weapons can be used in combat effectively and without any special risk.

The thesis of the "peace-keeping role" of nuclear weapons might turn out to be one of the most dangerous foreign policy concepts of the present day. It represents an attempt, which is fundamentally misleading and could have extremely dangerous implications, to substantiate the possibility of not only adapting to a situation marked by the existence of a large number of nuclear states, but also taking advantage of this situation in the country's own military-strategic interest. This approach will inevitably undermine the bases of nonproliferation regulations and the entire system of international security. Unconcealed nuclear tests in one of the "threshold" countries might become the detonator of a chain reaction of nuclear proliferation throughout the world and could create an uncontrollable international situation in which there would be a much higher risk of U.S. involvement in a conflict, with all of the ensuing negative implications for the United States' own security.

Furthermore, the expectation that the appearance of new nuclear states that are allies or friends of the United States will create security problems only for the socialist and developing states, and not the United States, is as shortsighted as it is adventuristic. This policy will sooner or later turn into a boomerang for its originators.

Pointing out the need for a consistent policy on the nonproliferation of nuclear weapons, L. I. Brezhnev stressed that "their spread from country to country...will increase the danger that a nuclear conflict might break out, even if only by accident. Then no 'nuclear umbrellas' will provide shelter from the lethal storm."[17]

At the second special session of the UN General Assembly on disarmament in June and July 1982, Washington encountered harsh criticism of its position,

which ignores the connection between nuclear arms limitation and nonproliferation. The United States did not ratify the SALT II treaty, the text of which speaks of the sides' willingness to adhere to Article VI of the Treaty on the Nonproliferation of Nuclear Weapons, refused to conclude agreements on the non-use of nuclear weapons against non-nuclear countries and refused to negotiate a comprehensive nuclear test ban. Most countries were deeply disillusioned by the U.S. reluctance to follow the example set by the USSR when it pledged not to use nuclear weapons first.

Going against the wishes of the nonproliferation treaty's signatories, Washington frankly announced its intention to accomplish an unprecedented buildup of nuclear potential. Furthermore, the Pentagon is prepared to do this on the pretext of the protection of American "vital interests." All of this, in the opinion of the non-nuclear states, certainly testifies to flagrant hypocrisy on the part of the United States, which tells others not to manufacture nuclear weapons while viewing these weapons as an effective instrument of its own foreign policy.

An earnest search for ways of weakening, and ultimately eliminating, incentives to acquire nuclear weapons will necessitate an overall improvement in the political atmosphere in the world, the eradication of seats of tension and conflict and the achievement of perceptible results in the curtailment of the nuclear arms race.

At a time when the extensive use of peaceful nuclear technology and the mastery of the related technical know-how can facilitate the transition to military atomic programs in several countries, international policy in the area of nonproliferation is acquiring new dimensions: Its ultimate effectiveness will depend on the development of a global negative approach to the very possession of nuclear weapons and, in particular, on the actual progress made by the present nuclear weapons in the matter of real nuclear disarmament.

The problem of preventing the further spread of nuclear weapons is so complex that no country is capable of solving it on its own. Questions connected with the reinforcement of IAEA controls over the peaceful use of atomic energy, the augmentation of the number of parties to the nonproliferation treaty, the reinforcement of security assurances for non-nuclear states, the fulfillment of the obligations of nuclear states in accordance with Article VI of the treaty and other problems in the consolidation of the worldwide nonproliferation efforts can be resolved only through joint action, through the constructive interaction of all concerned states.

L. I. Brezhnev's message to the participants in the 26th Session of the IAEA General Conference said that "the comprehensive reinforcement of nuclear nonproliferation regulations has been and is the primary objective in the efforts to curb the nuclear arms race. Reliable guarantees of the nonproliferation of these weapons also represent a necessary condition for broad-scale international cooperation in the use of atomic energy for peaceful purposes."[18]

The USSR and the United States, as depositary states of the treaty, bear a special responsibility for its further effective functioning. A Soviet-U.S.

consultation on this matter was held in Washington in December 1982, during which there was an exchange of views on the topics of discussion. The success of the struggle against the spread of nuclear weapons on our planet will depend largely on the future development of Soviet-American relations and on Washington's choice of a line of constructive interaction and cooperation instead of confrontation.

FOOTNOTES

1. PRAVDA, 17 June 1982.
2. F. Barnaby, "The Nuclear Arms Race," London, 1981, p 15.
3. THE NATION, 1 November 1980, pp 430-436.
4. WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, 20 July 1981, p 769.
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U.S.-FRENCH DISAGREEMENT UNDER REAGAN, MITTERAND VIEWED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 17-28

[Article by V. S. Mikheyev: "Washington-Paris: Current Relations"]

[Text] American-French relations represent one of the key elements of the total group of U.S. ties with Western Europe. The foreign and domestic policy of France, the most "restless" of all the American allies, is the object of constant attention in the United States. When F. Mitterand won the presidential election in 1981 and the Socialists won a strong majority in the National Assembly (285 mandates in conjunction with leftist radicals, or almost two-thirds of all the seats), a new stage in American-French relations began as a result of the change in the political situation in France, the socioeconomic reforms there and the approach of its government to several important international issues.

The Reagan Administration's hostility toward everything on the left side of the political spectrum is no secret to anyone. The French Socialists are no exception. But the inclusion of four members of the French Communist Party in the French Government, as the WASHINGTON POST commented, completely "stunned an administration which had made anticommunism a focus of U.S. foreign policy."[1] For many years the United States has been using every means at its disposal to keep communists out of the West European governments. The decision to include communists in the French Government, in Washington's opinion, will set a dangerous example for Western Europe and could undermine the North Atlantic alliance. Soon after the government was formed, the U.S. State Department issued a statement which said: "The inclusion of communists in this government or in any other government of our West European allies will affect the spirit and content of our alliance."[2]

The pressure exerted by the United States on the French Government in connection with the appointment of PCF members was resolutely opposed in Paris. The president of France pointedly criticized the U.S. interference in French internal affairs, and Minister of External Relations C. Cheysson called the State Department announcement "unacceptable." In February 1982 the French Government appointed another communist, PCF Central Committee member J. Valbon, to the important position of president of the administrative council of Charbonnage de France, the state coal mining association.

The Socialists' program of domestic political and economic reforms, with the nationalization of several corporations, banks and industrial enterprises as its main link, is contrary to the views of Ronald Reagan and his supporters. Nationalization is viewed in Washington as a threat to American capital's position in the French economy and as a dangerous precedent for U.S. interests. The United States is striving to impede this process, particularly since nationalization in France is a broad-scale process and is being carried out by the government for the purpose of gaining effective leverage to conduct a new economic policy, strengthen the principle of planning in the regulation of rates and proportions of economic development and win the French market away from American and other foreign monopolies. All of this is intensifying differences of opinion between Washington and Paris on economic problems.

The Knot of Economic Contradictions

The series of nationalization measures carried out in France is the third and most significant in the country's history. Since 11 February 1982 the state has owned almost the entire banking sector, 85 percent of the aerospace industry, 80 percent of ferrous metallurgy, 62 percent of nonferrous metallurgy, 48 percent of the chemical industry, 35 percent of the glass industry and 22 percent of the pharmaceutical industry. The most noteworthy of the nationalized companies are the Compagnie Generale d'Electricite, St. Gobins, Pechinee-Eugene-Kuhlman, Ron-Poulenc and Thomson-Brandt. This means that France now has the largest state sector in the West, accounting for more than 20 percent of the jobs in industry, 33 percent of the production and over 75 percent of the investments.

Nationalization in France has had a direct effect on the position of American capital because some of the nationalized companies were partially controlled by it. In October 1982, for example, the French Government nationalized the two largest branches of the American International Telephone and Telegraph transnational corporation (IT&T). Furthermore, the compensation IT&T will receive will not be the 2.15 billion francs it demanded, but only one-tenth of this amount--215 million.

American capital has a strong position in the French economy. According to data for 1979, direct U.S. investments in France totaled 7.6 billion dollars. Half of the 53 largest foreign companies were American. In 1979 IBM exported products worth 2.93 billion dollars to France, and the figures for other companies were 1.09 billion for Ford, 788 million for Exxon and 662 million for General Motors. As we can see, the Socialist government has good reason to regard the existing division of labor with the United States as an unjust system, to view the expansion of imports as excessive and to blame this on the "market economy" mechanism and on private capital with its broad-scale foreign expansion against the interests of national development.

Washington's economic policy is contrary to the interests of the Western European countries. The rise in American interest rates causes capital to leave these countries and go to the United States. The United States is striving to heighten the negative effects of its economic policy on France in order to impede the implementation of the program of socioeconomic reforms

in this country: More capital is being exported through dummy firms and shipments of raw materials and semimanufactured goods to several leading branches of French industry have been curtailed, causing the closure of enterprises and the growth of unemployment. This policy is part of the plan worked out by big U.S. capital to force the French Government to abandon its nationalization program. Administrators of the American Becker Bank, a shareholder in the French Paribas Bank, have asserted, for example, that they "cannot have a government-owned company as a partner," claiming that private clients are displeased with the change in the French partner's status, and suggesting that bank assets might be reduced in connection with the nationalization.[3] Attempts have also been made to influence France on the official level. At the end of March 1982, for example, Washington requested the French Government, according to reports in the French press, to abandon the measures aimed at restricting the rights of the owners of large companies in connection with the nationalization program.

The problem of the high interest rates in the United States and the wildly fluctuating exchange rate of the dollar is becoming increasingly acute in France.[4] According to French Minister of Economy and Finance J. Delors, the combined effect of American interest rates and the "floating" exchange rate of the dollar on France is equivalent to a "third oil crisis" because it is raising the cost of the energy resources and most of the raw materials imported by the country at a rate of 30 percent a year. The exchange rate of the American currency in August 1982 climbed above 7 francs to the dollar for the first time, but just 2 years ago it was 4.16 francs. Calculations have shown that each rise of only 5 centimes in the exchange rate of the dollar increases the French deficit by 2 billion francs. Members of P. Mauroy's cabinet and Socialist and Communist Party officials have repeatedly stressed that the reason for the constantly declining exchange rate of the French currency is the activity of international financial circles seeking to weaken the franc in order to create obstacles for the French Government's measures.

It should be borne in mind that, in addition to nationalization, which requires colossal government expenditures for the compensation of the owners of nationalized firms, a broad program in the sphere of social security, which is also quite costly, is being carried out in France. Since the time when the Socialists took office, they have acted on their campaign promises by raising the minimum wage four times, increasing aid to large families, lowering the retirement age to 60 and expanding public works--allocations for these purposes have been increased by 34 percent. Expenditures on research and the educational system have been almost doubled by the French Government. The Socialist campaign platform envisaged the creation of 150,000 new jobs in civil service and another 60,000 in local establishments and organizations. The accomplishment of nationalization and the implementation of social measures will require, according to the estimates of experts from parties on the Right, more than 140 billion francs and are based on plans for economic revival with minimum annual growth of 3 percent.

The Reagan Administration's economic policy, the disregard for the interests of the West European allies and the attempts to counteract the measures of the leftist government in France have essentially disrupted the Socialists' efforts

to keep their most important campaign promises. By summer 1982--and largely as a result of U.S. economic policy--the French Government had to scrap its original plan for economic growth at a rate of 3.3 percent, lowering its projection to 2.5 percent, consent to a freeze on prices and wages and consider cuts in social programs. Unemployment in France increased by 12.9 percent over the last year and exceeded 2 million in fall 1982, although the Socialists' central campaign promise concerned struggle against unemployment. According to American researchers M. Harrison and S. Serfaty, economic problems will be the focus of American-French disagreements and will test the strength of "Atlantic unity."[5]

When F. Mitterand supported some of Washington's military-political aims, particularly the American plan for the deployment of medium-range missiles in some West European countries, there is no question that he expected some economic concessions in return. The French magazine LE NOUVEL OBSERVATEUR was hinting at this when it commented: "Reagan must realize that he cannot demand a 'strategic consensus' aimed against the USSR if he weakens the European economy with the policy of high interest rates."[6] In March 1982, when the president of France was in the United States, he frankly told newsmen that "the military aspects of the situation cannot be separated arbitrarily from its economic aspects."

At the conferences of the leaders of the major Western states in Ottawa in July 1981 and in Versailles in June 1982, however, the United States did not give way on the issues of interest rates and the stabilization of the dollar exchange rate. The American Government announced that interest rates would "drop automatically" when the state of the U.S. economy had improved. But economic conditions in the United States are growing worse, and TIME magazine's economic experts predict that interest rates will stay on a level too high for Western Europe. This view is shared by other American economists.

Consequently, the knot of American-French economic conflicts is being pulled tighter and tighter and is having a negative effect on the political relations of the two countries.

The 'East-West' Issue

One of the United States' main objectives is France's return to the NATO military organization, from which it withdrew in 1966, and the reintegration in NATO of the French Armed Forces, which include 144 medium-range nuclear weapons (98 missiles and 46 bombers).

What is the French Government's position on this matter? The campaign platform of the French Socialist Party, approved in January 1981 by a special congress and called "100 Proposals for France," said that France would remain a member of the North Atlantic alliance but would demand a "precise definition of the meaning and significance of this alliance." In a TIME magazine interview, F. Mitterand said that his government was loyal to an alliance "expressing the common values of civilization."[7]

Many researchers and journalists in the West have underscored the current French president's adherence to the ideas of "Atlanticism." Prominent French

journalist R. Aron wrote in the weekly L'EXPRESS, for example, that "no other (French) government since 1958 has used language as distinctly Atlantic as the government of Francois Mitterand."[8] Paris has taken the same stand as Washington on the situation in Poland and Afghanistan. "We live in an age of paradoxes," LE MONDE remarked on 12 June 1982. "The France of the Socialists is becoming something like the best pupil in the Atlantic class. P. Mauroy is asking the NATO council to restore the European public's faith in the effectiveness of U.S. nuclear guarantees."

The crux of the matter, however, lies in the fact that people in France have a totally different interpretation of stronger unity among NATO members than the Americans and are advocating an independent position for Western Europe in NATO. For the United States, the best proof of Paris' intentions to strengthen NATO would be the reintegration of the French Armed Forces in the bloc military organization. But this is precisely what the French Government does not plan to do. At a press conference in Paris on 9 June 1982, F. Mitterand again stressed that France's return to the NATO military organization "is not even open to discussion."

France also opposes the American strategy of "limited" nuclear war, believing that the evolution of this kind of war into world nuclear war is inevitable.

Deputy Director D. Moisy of the French Institute of International Relations believes that France's current military policy "is more a continuation of the policy of General de Gaulle than of Giscard d'Estaing."[9] Whereas d'Estaing placed more emphasis than his predecessors on the development of conventional armed forces and the Gaullists had vehement objections to this because it would result in stronger ties with the NATO military organization, Mitterand attaches greater importance to nuclear weapons, and this, according to American political scientist B. Marshall, an expert on U.S.-French military-political relations, would mean weaker ties with bloc partners.[10] France's military doctrine is based on the use of nuclear forces.[11] In line with this, Prime Minister P. Mauroy did not sign any of the documents of the NATO council's Bonn session pertaining to military cooperation by bloc countries and underscoring the need for a conventional arms buildup.

Since France is not a member of the NATO military organization, it has only one obligation to its allies--consultations with them in the event of a crisis--and, as Western analysts have written, "does not wish to make any of the specific changes in practical policy that would give its pro-Atlantic rhetoric more credibility."[12]

Members of French official circles have implied that the idea of closer relations between NATO allies does not have enough appeal as yet and bilateral talks have not progressed to the point at which important debates can be commenced with regard to the "meaning and significance" of the North Atlantic alliance.

Consequently, the stronger pro-Atlantic tendencies in French foreign policy are accompanied by an obvious reluctance to converge with the NATO military organization. Furthermore, although the current French leadership is trying to

eradicate the friction in relations with the United States over communist participation in the cabinet of ministers and several other issues, it has not taken any of the steps prescribed by Washington and is even moving further away from the policy of Giscard d'Estaing, who made some efforts to meet NATO halfway, and closer to the line of C. de Gaulle.

At the session in Bonn in summer 1982, however, France again supported the American position on the important issue of the deployment of U.S. medium-range missiles in Western Europe, in spite of F. Mitterand's campaign statement that a "global imbalance" in the U.S. favor would be the result of the implementation of the NATO council's decision at its December (1979) session. The French support was extremely important to Washington after its plan had encountered strong opposition and engendered an antiwar movement of unprecedented dimensions in Western Europe. France did not have to sacrifice much, however, because the deployment of missiles in France has not even been considered.

As for the military programs of the United States and France, Washington has been impressed by the French Government's efforts in this area. France is the only major European country whose military budget increased by more than 17 percent in 1982. In absolute terms, it exceeds the military budget of any other European NATO country. In turn, the French leaders have supported the U.S. decisions to produce B-1 bombers, MX missiles and neutron bombs.

Bilateral U.S.-French military cooperation has not undergone any special development. The plans to re-equip American CS-135 planes with engines of joint U.S. and French manufacture have been funded in full. The United States shares intelligence information with Paris. The Pentagon refused, however, to acquire French light AMX-10 tanks and guns for the "rapid deployment force" and the French-West German Alpha-Jet fighter planes. Besides this, it rejected a plan for the joint production of the Roland air defense missile mounts manufactured by France and the FRG and reduced its original order for them. General M. Cauchy, head of the international affairs department of the main armaments administration of the French Ministry of Defense, angrily declared that "the French and West Germans virtually made a gift of their technology to the Americans" as a result of the change in the U.S. stand.[13]

As for the economic cooperation between socialist and capitalist states, which is such an important aspect of the "East-West" issue and has recently caused so much friction between the United States and its allies, "the United States and France have taken opposite stands on the matter of trade relations with the USSR," LE QUOTIDIEN DE PARIS remarked on 8 June 1982. France refused to support the American sanctions against the USSR. It does not have any particular wish to give up mutually beneficial economic ties with the Soviet Union at a time when it is being harmed directly by U.S. economic policy.

As we know, the Soviet Soyuzgazeksport foreign trade association and the French Government's Gaz de France company signed a contract on the delivery of 8 billion cubic meters of natural gas from the USSR to France each year for 25 years. France will send the USSR 5 billion francs' worth of equipment for the pipeline, which will provide thousands of workers with jobs for years.

In Washington, where the prevailing view is that almost any technology will promote the growth of "Soviet military potential," this commercial transaction aroused hostile feelings. Ronald Reagan categorically objected to it. In response to this, P. Mauroy made the following statement in the National Assembly on 29 January 1982: "I cannot agree with the lectures someone is trying to give us. In particular, I do not believe that the Americans, who have squandered their energy for so many years, should give lectures to countries without any energy resources of their own." In his words, adherence to the logic of economic blockade is adherence to the logic of war, and the policy of economic sanctions against the Soviet Union is "an act with dangerous implications," particularly for the cause of peace.

In June 1982 the Americans were able to convince their allies that the declaration of the Versailles conference should contain statements about the improvement of the "international system of control over exports of strategic goods" to the socialist countries, about a cautious approach to financial relations with them and about the need to limit their export credit. As the NEW YORK TIMES reported on 8 June, however, Paris clearly indicated that each country would continue to make its own decisions in this area. France did this in June 1982, when the White House failed to confer with its allies before prohibiting shipments of gas turbines and other equipment produced in Western Europe on American licenses to the Soviet Union. The president of France announced that the American behavior was "offensive, unfair and dangerous" and the French Government instructed French branches of American firms to send the equipment to the USSR.

France's tough stand on the U.S. attempts to impede the construction of the gasline played an important role in the ultimate U.S. decision to cancel the embargo. Despite Ronald Reagan's remark on 13 November 1982 that the ban on shipments of oil and gas equipment was being lifted because the allies had agreed to strengthen other restrictions on trade with the USSR, France resolutely dissociated itself from this position. F. Mitterand informed journalists that there was no U.S.-French agreement on the regulation of trade with the Soviet Union. In a LE MONDE interview on 27 November 1982, the president of France felt the need to reaffirm his opposition to any form of economic blockade of the USSR and stressed that France had no intention of reducing Franco-Soviet trade by expanding the list of so-called "strategic goods."

'North-South' Issue

There are considerable differences between the Washington and Paris policies on the newly liberated states. What is more, these fundamental differences have led to conflicts over specific issues and have combined with other differences of opinion to make up a fairly tight knot of contradictions.

In the United States the social changes in the world and the loss of old positions are viewed as a result of "Soviet expansion" while the developing countries are viewed as possible bridgeheads or "battlefields" for struggle against the Soviet Union. This is the reason for the tough line and the tendency to look for "the hand of Moscow" in all problems. One of the basic principles of U.S. relations with developing countries is the priority of the "security

interests of the United States' friends" over aid for economic development. The United States is strengthening ties with Chile, is giving pro-American regimes in Central America maximum support and is giving Egypt and Turkey substantial military assistance. As F. Mitterand remarked in an interview on English television on 8 September 1981, the U.S. interest in the "Third World" is now displayed only in the form of a search for strategically important positions, with no concern for anything else, including economic problems.

Washington's economic policy in relations with developing countries is a unique international variety of "Reaganomics." The U.S. position is distinguished by the premise that the newly liberated countries should rely on private enterprise, private foreign investments and the free transfer of capital. One of the conditions of American aid to the young independent states is their rejection of policy inhibiting a free market. People in Washington place emphasis on "free trade" and prefer their relations with developing countries to be on a bilateral basis or within the framework of regional associations in Southeast Asia and the Caribbean because the United States is encountering increasing opposition to its line in large international organizations. The French leaders view sociopolitical processes in the developing states of the "South" as a result of social injustice and poverty. Paris supports those who are fighting, in Central America for example, for the liberation of their people. F. Mitterand has said that his country will not supply racist regimes and dictatorships with weapons. France believes that the economic growth of the leading capitalist states will be increasingly dependent on the continued development of the newly liberated states, which represent a huge potential sales market. The French leadership has officially promised to double aid to developing countries within 7 years.

F. Mitterand has advocated the "radical reform" of the International Monetary Fund and the International Bank for Reconstruction and Development because he regards as intolerable "a situation in which the international financial system is dominated by a single country--the United States."[14] France has insisted, in particular, on the creation of an energy branch of the IBRD to extend large loans to developing countries for the development of power engineering and has suggested that priority be given to its more effective use for additional annual investments of from 10 billion to 20 billion dollars in renewable energy resources. This is the opposite of the American stand.

In contrast to the United States, France supported the proposals regarding "global talks" on the establishment of a new international economic order within the framework of the "North-South" dialogue. In view of the fact that "it is difficult to imagine how a new economic order could be established without hurting American interests,"[15] as Editor-in-Chief A. Fontaine of LE MONDE wrote in an article published in the NEW YORK TIMES, it is obvious that the U.S. and French approaches to the "North-South" issue are based on a fundamental contradiction capable of undermining American-French relations at some time in the future. Paris' assistance of the developing countries will give France an opportunity to win new sales markets--often to the detriment of U.S. interests. French comprehensive financial assistance envisages the simultaneous extension of commercial credit and government subsidies with relatively low interest rates. This approach has already been productive:

The first major contracts have been signed. For example, France's CIT-Alcatel company signed a contract with India for 500 million dollars' worth of work in the modernization and expansion of the telecommunications system after withstanding the intense competition of 10 other companies. Paris has announced that the French Government will extend several million dollars in credit to Malaysia for the development of cooperation in aeronautics and telecommunications. After negotiating with P. Mauroy, Malaysian Deputy Prime Minister Musa bin Hitam made a statement about the possibility of a "new era" in the relations between the two countries. France's economic policy has evoked a favorable response in many developing countries, particularly in contrast to the U.S. line. A vivid illustration of the U.S. economic line, for example, is the tactic employed in the purchase of tin from the ASEAN countries, which France is now particularly eager to penetrate. After buying up 72 percent of this important strategic raw material in Southeast Asia, the United States has been stockpiling it and periodically throwing it into the market to drive prices down, after which it has been buying the tin again at record low prices. This kind of overt "economic piracy" understandably enrages producer countries. The much more flexible French policy, Paris' public criticism of Washington's treatment of the developing countries in several cases, and the first concrete steps and achievements of the Mitterand government in this area have all bothered the United States and are complicating American-French relations.

Central America: On Opposite Sides of the Barricades

The political differences between the U.S. and French approaches to the newly liberated countries, stemming from differences in fundamental aims, can be illustrated through the specific example of Central America.

Washington responded to the Salvadoran people's struggle against the reactionary pro-American ruling clique by sending the junta 143.1 million dollars in 1981 and another 117.2 million in 1982. Around 1,500 soldiers and officers of the Salvadoran Army received military training in the United States. The Joint Chiefs of Staff drew up emergency plans for American military action in Central America in case an American invasion should be ordered by President Reagan. The head of the American state and his closest advisers believe that the United States is counteracting Soviet and Cuban influence by supporting counterrevolutionary elements in Nicaragua and the Salvadoran regime.[16]

The approach of the current French Government to the events in Central America is radically different from the American approach. On 2 July 1981 F. Mitterand said: "The people of this region want to put an end to the oligarchies which have brutally exploited them and are oppressing them to an intolerable degree with the aid of bloody dictatorships. A negligible portion of the population owns almost all of the material wealth. How could we not sympathize with the public indignation here? This is not a matter of subversive activity by communists, but a refusal to accept poverty and humiliation. It would be much more sensible for the West to help these people than to continue crushing them under its boots."

The joint Franco-Mexican declaration of 28 August 1981 on the situation in El Salvador says that "the French and Mexican Governments recognize the

Farabundo Marti Front for National Liberation and the Democratic Revolutionary Front as a representative political force prepared to assume all of the attendant obligations and powers. Consequently, this union can participate on legal grounds in the establishment of the necessary conditions for the convergence and talks needed for the political settlement of the crisis."

When French Minister of Defense C. Hernu visited Nicaragua in January 1982, the two countries concluded an agreement on shipments of French weapons valued at 17 million dollars, including missiles, grenade launchers and helicopters. France is also cooperating with Cuba and has a friendly relationship with Grenada. In October 1981 the head of the Cuban Government was sent an official invitation to a reception in the French Embassy in Havana for the first time in many years. French Minister of External Relations C. Cheysson warned that France would censure the United States if it should resort to boycotts or military blockades in the Central American countries.

Washington has reacted with anger to Paris' policy line. It expressed definite dissatisfaction with the Franco-Mexican statement. After the agreement on military deliveries was signed by France and Nicaragua, President Reagan cancelled a meeting with C. Hernu during his U.S. visit, and C. Weinberger called the French vie of Central America "naive and romantic." But the most important element of this situation is that people in Washington believe, and not without good reason, that future disagreements between R. Reagan and F. Mitterand, like the one over El Salvador, are inevitable.[17] On 8 August WASHINGTON POST correspondent D. Oberdorfer remarked that "France is taking a more unyielding approach to international affairs, including events in Latin America," in retaliation for U.S. policy in Western Europe (this refers to Washington's pressure on its allies in connection with the gas-pipes project).

Africa: New Barriers of Alienation

An important feature of the "African prism" in which the differing U.S. and French approaches to the problems of this continent are seen to collide, is its vivid reflection of, firstly, France's considerable political and economic interests on the continent and the ensuing American-French rivalry and, secondly, the two countries' different interpretations of the problems of people struggling for national liberation and self-determination.

On 14 January 1982 LE MATIN published some data on French interests in various African countries. In particular, the article said that in the Republic of the Ivory Coast, where French experts discovered large oil deposits, France controls around half of the capital of local industrial companies; in Gabon 80 percent of the foreign capital investments are French; many French industrial companies are operating in Senegal and 1,530 French specialists are working there; uranium mines in Nigeria are controlled by a branch of the French Atomic Energy Commissariat, which is also working uranium mines in the Central African Republic and Gabon; in addition to uranium, oil, manganese, tin, zinc and phosphates are also being taken out of the African countries by France. Americans in Africa, as France's LIBERATION newspaper commented, "are penetrating the French domain" and this is "starting to worry" France. For example, the United States "took advantage of errors in French policy in Chad" to penetrate this region.[18]

It must be said that the French Government is quite serious about holding on to France's positions in Africa. This is attested to by F. Mitterand's unequivocal remark to a STERN correspondent: "We will maintain our presence in Africa and will not allow anyone to take our place."[19]

Southern Africa is a lens which brings the differences in U.S. and French policy in Africa into focus. Paris believes it is necessary, firstly, to institute economic sanctions against the South African regime and, above all, to completely cut off French government and mixed capital investments, as well as all types of aid to private investors; secondly, to give broad assistance to the "frontline" countries--such as socioeconomic aid and assistance in vocational training--and political support to liberation to liberation movements. F. Mitterand stated that, in spite of the many concessions SWAPO had made, South Africa had cut off the talks in Geneva on Namibian independence in a unilateral manner and without valid cause. In reference to the Cuban military presence in Angola, the French president said that it was justifiable because Angola has to protect itself against South Africa's aggressive behavior. In the UN Security Council France supported the draft resolution condemning the South African invasion of Angola.

The French Government's policy is the direct opposite of the Reagan Administration's line in Africa. The United States is strengthening ties with South Africa and lifting all earlier restrictions on trade with the racist regime. The American representative in the United Nations vetoed the draft resolution condemning South Africa for its attack on Angola, not to mention Washington's unconcealed hostility toward the military assistance Cuba has given Angola. On 6 September 1981 the CHRISTIAN SCIENCE MONITOR remarked that "this policy is setting the French Socialists against the new U.S. administration even more."

The sharply contrasting Washington and Paris approaches to Libya are also extremely indicative. The United States launched an unprecedented campaign of threats and blackmail against this country, imposed an embargo on imports of Libyan oil, banned the sale of American oil and gas equipment to Libya and recalled its oil experts. Washington demanded that its allies support the sanctions against Libya. France, however, rejected this approach outright. Within a few days after the Reagan Administration had recommended that American citizens leave Libya at the end of 1981, French officials in Paris announced that France intended to resume the normal relations with this country that had been broken off under President Giscard d'Estaing. Earlier, In July 1981, the Mauroy government announced that all signed or existing contracts between the two countries in all areas would be honored. This meant that shipment of French weapons to Libya would be resumed, and they were. As a result of the French Government's decision to honor agreements, the Elf-Aquitaine company was able to sign a contract with Libya at the end of 1981 and conduct new petroleum exploratory operations.

The Middle East: Points of Convergence and Divergence

Whereas Giscard d'Estaing, France's last president, never agreed to French participation in the Camp David process because he did not believe that this

process could contribute to the resolution of Middle East problems, under F. Mitterand France became the first West European country to approve the plan for the creation of the "multinational force" in Sinai and to assign one of its own military contingents to this force. Along with Washington, France will supply Egypt with weapons: A Franco-Egyptian agreement on military cooperation was signed in January 1982. It envisages the delivery of 20 French Mirage-2000 fighters worth 1 billion dollars to Egypt in 1983, the organization of the production of spare parts for these planes at Egyptian military enterprises, the training of Egyptian pilots in France and the creation of a joint Franco-Egyptian committee on cooperation in the sphere of armaments. As LE QUOTIDIEN DE PARIS reported, people in Washington "are not concealing their satisfaction with the new role France is playing in the Middle East."[20]

Paris' action to lead Tel-Aviv out of diplomatic isolation signaled another important change in French policy. At the beginning of March 1982, in spite of Israel's annexation of the Syrian Golan Heights, a French president visited Israel for the first time in the Jewish state's history. This was preceded by C. Cheysson's trip to Jerusalem.

In a talk with C. Cheysson immediately after Mitterand's visit to Israel, PLO political chief F. Qaddoumi expressed regret over France's assignment of higher priority to the existence and security of Israel than to the satisfaction of the legitimate rights of the Palestinians, who are victims of aggression. Besides this, the PLO feels that France is taking a stand almost identical to the American one when it views the inhabitants of the West Bank and Gaza and the Palestinian refugees as two separate entities.

France's definite convergence with the United States and Israel on the Middle East issue has not, however, eliminated all of the important American-French disagreements over this issue. This became particularly apparent after the Israeli aggression in Lebanon and the siege of Beirut. France unconditionally condemned the Israeli aggression, and in June 1982 in the UN Security Council it voted for a draft resolution demanding the cessation of all Israeli military action within 6 years and the immediate and unconditional withdrawal of Israeli armed forces from all territory within Lebanon's internationally recognized borders. The American veto of this resolution clearly illustrated the difference between the U.S. and French approaches to Middle East problems. Later the United States also vetoed a draft resolution on the settlement of the crisis in Lebanon, which was introduced directly by France, and this definitely displeased the French leadership and exacerbated American-French differences of opinion even more.

Paris favored PLO participation in the talks on the "multinational force" in Beirut, while the United States tried to employ the foolproof "Sinai method" and bypass the PLO. When the French prime minister received Qaddoumi after the Israeli aggression, he expressed his willingness to receive Yasir 'Arafat as well whenever he might be in Paris. In the middle of August 1982, F. Mitterand described France's Middle East policy in an interview with television correspondents and said that one of its elements was the recognition of the Palestinians' right to have their own land and to set up whatever institutions they might choose there.

Therefore, although certain points of convergence in the Paris and Washington approaches in the Middle East issue came into being when the Socialists took power, this tendency grew much weaker after the Israeli aggression in Lebanon, which was committed with America's blessing and with the aid of American weapons.

It is obvious that new and extremely serious problems, created by the new government of F. Mitterand, are now being added to the old problems in U.S.-French relations. Recent events have indicated that these problems could become even more complex and acute in time. Wherever unity does exist, it does not go beyond certain limits set by the traditional French foreign policy line. As Professors M. Harrison and S. Serfaty noted in the work mentioned previously, "no good intentions or deliberate vagueness can conceal the fact that these are two incompatible views of the political and social organization of the world which will be testing the endurance of the Atlantic system and the Atlantic alliance throughout the 1980's."[21]

We do not wish to overdramatize the current state of U.S.-French relations, but we must say that France is not risking its important national interests to any extent by supporting certain U.S. foreign policy positions, but the new elements introduced by the Socialists into domestic and foreign policy often affect the interests of the U.S. ruling class directly.

FOOTNOTES

1. THE WASHINGTON POST, 29 June 1981.
2. DEPARTMENT OF STATE BULLETIN, August 1981, p 71.
3. LE MONDE-DIMANCHE, 21 February 1982.
4. For more about the pernicious effects of Washington's monetary policy on the economies of Western Europe, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1982, No 11, pp 48-49--Editor's note.
5. M. Harrison and S. Serfaty, "A Socialist France and Western Security," Washington-Bologna, 1981, pp 13, 19-20.
6. LE NOUVEL OBSERVATEUR, 17 October 1981, p 21.
7. TIME, 19 October 1981, p 57.
8. L'EXPRESS, 10 August 1981.
9. Quoted in: AEI FOREIGN POLICY AND DEFENSE REVIEW, 1982, vol 4, No 1, p 7.
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11. LE MONDE, 10 July 1982.

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13. LE MONDE, 26 December 1981.

14. M. Harrison and S. Serfaty, Op. cit., p 41.

15. THE NEW YORK TIMES, 16 December 1981.

16. THE WASHINGTON POST, 16 March 1982.

17. LE MONDE, 15 October 1981.

18. LIBERATION, 12 March 1982.

19. Quoted in: STRATEGIC REVIEW, Fall 1981, p 41.

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ROLE OF SPORTS IN AMERICAN IDEOLOGY DEBUNKED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 41-50

[Article by S. I. Gus'kov: "Sports Myths and American Reality"*]

[Text] Sport is a prominent part of the system for the exertion of ideological influence on the masses in the United States. The bourgeois propaganda machine not only regards it as one means of the "psychological satisfaction" of Americans but is also using it to corroborate several widespread myths designed to maintain the capitalist social order. In general, sports in America serve as a broad field for the development of various sociopsychological theories and premises and as a kind of "testing ground" to test the viability of American ideology.

Of course, it is not a simple matter to analyze sports in a society where political and ideological goals are often disguised. Our point of departure might be the fact that the ideological significance of sports depends on the purposes for which they are used by the society. The class structure in today's America, the division into rich and poor, the existence of racial barriers, the inferior status of women and other factors naturally have a tremendous effect on the nature and purpose of sports. The role assigned to sports by the society is closely related to such attitudes as the eagerness to make money and the desire to make a name for oneself at any cost; the society accomplishes the intensive cultivation of these attitudes through the system of education and upbringing and through all of the mass media. The dominant class makes use of sports, concealing the actual reason for this--namely the reinforcement of the system of bourgeois values, the distraction of the masses from the real problems of the capitalist society and, finally, the maintenance and preservation of the existing system of exploitation.

An entire system of sports-related ideological myths, sometimes based on the results of contemporary scientific social research, has been created for the attainment of the goals listed above. This research was conducted on a particularly broad scale in the 1970's.

* For more about American sports, see the following articles by R. M. Kiselev: "The Structure of Professional Sports," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1972, No 7; "The Olympics and U.S. Sports," ibid., 1979, No 11; "Approaching the Los Angeles Olympics Under the Flag of Commercialism," ibid., 1982, No 10; and others.

The heightened interest of American researchers in the sociological aspects of sports is a result, in our opinion, of, firstly, the rapid development of the sports industry and the role of this expanding market in the nation's economy and, secondly, the inclusion of sports in the ideological propaganda machinery and their use in the ideological struggle between the two opposing economic and political systems--capitalism and socialism.

Sport sociologists also acquired a client in the major corporations and the federal government. An analysis of the study by R. Rehberg and M. Kohen (1975), for example, unavoidably points up the degree to which their conclusions are apologetic. After polling 937 athletes from New York colleges and universities, they arrived at the following conclusions:

There is a connection between sports and respect for authority;

In comparison to non-athletes, athletes are more firmly convinced that the American way of life is superior to all others;

Athletes are less vulnerable to ideas about the need to change American society.[1]

The authors of studies of this kind argue that sports cultivate respect for authority and for the law, foster politically conservative views, help in the eradication of class and racial distinctions and barriers and illustrate the equal opportunities that are supposedly offered by the bourgeois society. These American sociologists regard sport as an important social phenomenon and a sphere in which the value system of the American society is taught and reaffirmed. For example, H. Lasswell has frankly noted that the values of a society are transmitted through ideology and myths; sports are expected to play a myth-making role in the maintenance and preservation of the American system of values.[2] The popularity of sports is portrayed as a salient feature of the American way of life and as proof of the triumph of the values inherent in the U.S. society and, of course, in American sports. Some sociologists even maintain that sports in the United States belong to the people. By making references to the members of different classes, races and genders who take part in athletic activities and in sports competitions, these authors are striving to prove the existence of a classless structure in the United States, the absence of racism and an equal status for women.

As we can see, American bourgeois science itself is now involved in the creation of ideological myths dealing with sports as a social phenomenon. This has reached the point at which sport is equated with religion: Philosopher M. Nowak frankly describes sports as a form of religion.[3] In fact, even religion, which is also preaching the eradication of class, racial and other distinctions in today's America, is using sports to support these myths, assuring the flock that people find faith through sports. It turns out that the purposes of sports and religion in the United States coincide in one main area--in the attempts to use them to strengthen the foundations of the capitalist world.

The bourgeois ideological machine has created and is using an entire system of myths about sports, among which the following are particularly noteworthy:

The values of the American society and of sports are identical; sports and society in the United States offer equal opportunities to everyone; sports belong to the people; they corroborate the existence of a classless, democratic society in the United States; they break down racial barriers; they unite the American people and strengthen their morale; they corroborate "American exclusivity"; they are above politics and independent of the U.S. Government; and so forth.

Let us examine the validity of these statements by comparing them to the realities of sports in the United States.

Sports have never been socially neutral and they are certainly used for specific purposes by the individual and society. There is no question that the nature of each sport largely determines the nature of its purpose.

No one is likely to deny the fact that sports cultivate positive qualities and promote the development of values and features which improve the individual--friendship, honesty, integrity, loyalty to other team members, mutual understanding, cooperation and respect for opponents--but only as long as human values prevail over financial considerations.

An analysis of contemporary American sports indicates that they have lost much of their humanitarian principles in the last 20 years and that material values are crowding many human values out of sports.

"There was a time, and it was not that long ago," said former professional basketball player Tom Meschery, "when honesty and loyalty were regarded as assets in sports, and not as cause for ridicule. There was a time when athletes derived pleasure and satisfaction from competition, and not only from paychecks. But for some reason the arrival of big business changed the concept of sports in this country. The business mentality took over in basketball. The sport is becoming a performance and is designed to hold the attention of the public. The roots of idealism do not feed the game any longer. It is just a business."[4]

In sports, "victory, defeat and the game itself all mean much less than ticket sales,"[5] L. Shecter concluded with regret.

A popular saying among American athletes is: "The door to the corporate boardroom is at the end of the locker-room." From their earliest years, Americans are taught that the real value of sports consists primarily in preparation for personal and commercial success and that they develop the will to win and help to put people in the "winners' circle." T. Tutko, a specialist in sport sociology, and W. Bruns wrote a book entitled "Winning Is Everything & Other American Myths," which offers convincing proof that the obsession with winning has already taken over even in children's sports. Sports, beginning on school and college benches, prepare Americans for a fierce struggle for survival, with contempt for losers. Victory and victory alone, regardless of the means and the cost--this is the lesson taught by the society and by sports in the United States. In this respect, it is true that the values of society and sports do coincide!

For a better understanding of the prevailing values in sports, let us look into a typical locker room. We will probably find some of these popular slogans there. "You're no one until you're number one," "We are number one," "Winning is life," "In our nation the second runner-up is doomed to obscurity," "Winning regenerates you, losing degenerates you," "Defeat is worse than death because you have to live as a loser," "No one has ever learned anything by losing," "The highest goal in life is victory," "Victory at any cost." For an understanding of how high this cost can be, let us look at the book by sports commentator J. Underwood, "The Death of an American Game. The Crisis in Football," and at some statistics.

On the basis of football-related incidents and of interviews with prominent coaches, players and football league and club officials, J. Underwood illustrates the degeneration of football, the most popular sport in America, and asserts that it has turned into a violent fracas: According to this data, around 1.5 million young players on school and college teams are injured in games each year, and each professional player suffers at least one serious injury each season. Between 1971 and 1977 there were 1,129 recorded injuries which resulted in death or total paralysis, 550 spinal injuries which resulted in total or partial paralysis, etc.[6]

"The football business and the race for profits," the author remarks, "are responsible for the fatal disease that is causing American football's decay.... The symptoms are deliberate and excessive roughness, a pitiful increase in accidents and injuries, the spread of drug abuse and the costly football-related lawsuits." Football's main problem today, according to University of Delaware Athletic Director D. Nelson, is the fact that a team strives to win not by the rules, but by breaking the rules, and tries to incapacitate as many opposing players as possible "to promote victory."[7]

In the postwar period 337 boxers have died as a result of injuries in professional fights. Most of the injuries are due to indecisiveness on the part of referees who wait too long to intervene in matches because they are reluctant to interrupt the "entertainment."

Why do Americans like to see so much brutality and violence in sports? Is violence regarded as a customary element of competition in the United States because it is viewed as a guarantee of "survival" both in sports and in everyday life?

"The competition for jobs and more money gives the game a much more violent nature," J. Underwood commented.[8] The excessive brutality and violence, in his opinion, promote the spread of the "virus of vandalism."

As early as 1920, writer J. Tunis remarked: "The great sport myth is a lie invented and sustained by commentators and other fans of professional sports... who assure us that competitive sports promote good health, build character, develop the mind and so forth."[9] This was written more than half a century ago, but the only thing that has changed since that time is the degree of brutality and violence in sports.

The average American generally believes that the United States has an "open" class system, and this belief is supported considerably by the class definitions--lower, middle and upper--instilled in the mass mind. The myth that an individual's membership in a particular class depends totally on his personal potential, his degree of persistence and his ability to succeed, and not on his social origins, is cultivated to a considerable extent with references to sport myths. Sociologists D. Eitzen and G. Sage feel that "sport is like an opiate sustaining the belief that people from the lowest strata can climb the social ladder by succeeding in sports."[10]

This myth is supported by arguments which have an almost subliminal effect on the mind of the average American. They are the following:

Sport provides an opportunity to attend a college or university and acquire a higher education with an athletic scholarship; the person who goes out for sports in school can become popular with classmates and friends and can marry a rich girl from the upper class; popularity gives athletes more chance of finding a job after graduation; finally, ability and persistent training can open doors in professional sports and this, in turn, can open "all doors in America."

In most cases, the biographies of American athletes refute these arguments. Excessive indulgence in sports in school causes many students to neglect their academic studies because they are counting on enrolling in higher academic institutions on the strength of their athletic achievements. When they go to college, they are virtually unprepared to fulfill academic requirements. Besides this, twice-daily coaching sessions and off-campus competitions make regular attendance in class virtually impossible. All of this affects their academic performance: Whereas an average of around 70 percent of the people who enroll in U.S. colleges complete their higher education, among athletes the indicator is much lower.[11] Therefore, the probability of acquiring a higher education on the strength of athletic achievements is not that great.

There is probably no need for any serious discussion of the next two arguments, particularly since they cannot be supported by statistics. But the possibility of becoming a professional athlete deserves special discussion.

The overwhelming majority of college athletes regard their years in the academic institution as a stepping-stone to professional sports. A few years ago FORBES magazine published an article entitled "Superstars! Supermoney!" which pointedly asked--"Where can a young person get rich today? Wall Street? The law? Big Business?"--and answered: in professional sports.[12] The myth about rapid enrichment in professional sports is widely supported by the mass media. The signing of new contracts is big news on television news programs. The myth is illustrated by the intensive use of sports superstars in television commercials.

However, despite the high wages in professional team sports (football, baseball, basketball, hockey and soccer) and the many monetary prizes offered in such sports as boxing, tennis, golf, horseracing, auto racing, bowling and others, the dreams of wealth of hundreds of thousands of young athletes are

unrealizable. In the first place, the world of professional sports is limited. It consists of around 5,000 people at most. Statistics indicate that the chances of becoming a professional athlete in the United States are slim. In baseball, for example, each year around 120,000 high school seniors, college students, graduates and minor league players compete for places on 28 professional major league teams. But only 1,200 of them, or 1 percent, have their names entered on the list for consideration and selection by league teams, and only around 100 players are ultimately chosen by teams. The situation is the same in other team sports.

In the second place, it is even more difficult to stay a professional athlete than to become one. The "law of the jungle"--survival of the fittest--operates everywhere in this world. This naturally affects the length of the professional athlete's career, which lasts 4.5-5 years on the average.

Here are the statistics for the main team sports:[13]

Categories	Baseball	Football	Basketball	Hockey
Number of high school varsity players	400,000	600,000	600,000	40,000
Number of college players	25,000	40,000	17,000	2,000
Number of major league professional players	600	1,222	324	440
Annual number of new major league players	100	157	60	80
Average length of career (years)	7-8	5	5	no data

Here is how B. Gilbert describes the status of professional athletes after the end of their sports career: "Many athletes are in for a rude awakening when they leave the pros. They can no longer work in an occupation they spent their life mastering. They are too young and often too insecure financially to spend the rest of their life idle. At the same time, they are too old to start a new career, particularly--and this is often the case--if they have no training or experience in any field other than sports."[14]

In September 1980, Jim Tyrer, former football star of the Kansas City Chiefs, shot his wife and then killed himself after some unsuccessful business ventures had put him on the verge of bankruptcy and ruin.

Psychologist J. Johnston, who works with athletes, believes that professional athletes are "spoiled"--or, more precisely, ruined--by society.[15]

Most of the athletes who enter the elite world of the professionals come from poor families, or as American sociologists and ideologists would say, from the "lower class." After signing his first contract, the inexperienced young athlete is plunged into an unfamiliar environment, into a world of business, agents, brokers, lawyers and others who must be paid for the slightest service. The search for profitable investments begins. Lacking the necessary education

and business acumen, most of the young athletes are exploited by unscrupulous brokers and swindlers and end up with nothing. Only a few augment their wealth. These names are used by the mass media to support the myth about the "equal opportunities" offered to all members of American society. These people, who can be counted on the fingers of one hand, are constantly seen in television commercials, enticing young Americans to follow their example. But it turns out that this is hard to do, and not only for the reasons listed above, but also for purely economic reasons.

It is no secret that most young Americans, especially members of racial and ethnic minorities, are attracted to such sports as basketball, boxing, baseball, track and field, and just recently to soccer. Participation in these sports does not cost their parents much money. But the cost of athletic equipment, the services of a coach, club membership fees and participation in competitions in many sports is beyond the budget of even the average American. For example, participation in competitions alone costs 3,500 dollars a year in gymnastics, 4,000 in judo and 5,000 in rowing,[16] not to mention other expenditures. This is how "equality" in the choice of a sport is exercised in the United States from the athlete's earliest years.

Participation by black athletes in three team sports (football, baseball and basketball) and in boxing and track and field is regarded by some sociologists of sport as proof that there is no racial discrimination in American sports. It is true that black Americans account for 83 percent of the players in the National Basketball Association, over 55 percent in the National Football League and 40 percent in the American and National Baseball Leagues and that more than 75 percent of all professional boxers are not white.[17] It is true that white and black athletes can often be seen embracing on the television screen when the winner of a competition is being congratulated. But this certainly does not mean that racial harmony exists in the United States. The "equality" on athletic fields is also mythical. Young blacks have access to 4 or 5 of the more than 50 sports cultivated in the United States, while 90 percent of all sports remain, with rare exceptions, the privilege of whites. "I maintain that racism, especially in sports," stressed Professor H. Edwards from the University of California in Berkeley, "is the main factor which makes most sports in America inaccessible to blacks."[18]

This applies completely to the recruitment of blacks for coaching jobs. A study conducted by J. Braddock from Johns Hopkins University, for example, indicated that only 20 of the 5,000 black players on NFL teams were later offered jobs as assistant coaches between 1960 and 1979; what is more, no league team had a black senior coach during these two decades.[19] At present, 76 professional football and basketball teams have only four black head coaches. The situation is the same in other sports. For example, not one black driver has ever raced in the "Indianapolis 500." In football and other sports there is an obviously unfair distribution of team positions among white and black athletes. There are salary differences. There are no black managers in American sports, and so forth.

"In boxing, racism is used to sell fights," concluded BOSTON GLOBE correspondent S. Marantz.[20] Racism was the basis of the advertisements for the fights

between M. Ali and J. Quarry, R. Leonard and R. Duran, J. Cooney and K. Norton, and L. Holmes and G. Cooney. In boxing, according to D. King, one of the main managers who arrange boxing matches in the United States, "the fight is based on racism, which serves as a natural element" of the sport.[21] In 1981 the PHILADELPHIA INQUIRER polled its readers, asking them only one question: "Do you agree that white spectators would not buy tickets to see (only) black athletes?" Some 57 percent of the respondents answered "yes."[22]

On the one hand, people in the United States are trying to use sports as a "national unifier' and as an illustration of racial equality in the American society. On the other hand, it is a useful means of fueling antagonism to distract public attention from other urgent social, economic and political problems.

Nevertheless, the myth that sports in America contribute to the eradication of racism is still one of the strongest of the American ideological myths. An important role in this process is played by the mass media, which have repeated each day for many years: "Look what baseball did for J. Robinson and boxing did for M. Ali or R. Leonard."

Passing sports off as a "common denominator" and as a means of "moving up in the world," American ideologists use sports as an example to proclaim the possibility of "mutual understanding among classes and races," the absence of class and racial tension and the ideals of "equality" and "universal prosperity" in the United States.

The American belief that sports are free of government interference and regulation and that sports are "independent and apolitical" has long been one of the most widespread sports-world myths in America. It must be said that the American belief that "sports are above politics" was so strong prior to the middle of the 1970's that sociologists gave this matter little attention. The administrators of amateur sports, especially the National Olympic Committee (NOC), took every opportunity to underscore their lack of dependence on the government, thereby reinforcing the idea that "sports are above politics."

Prior to the 1970's the State Department concerned itself primarily with organizing trips for athletes, sending specialists in physical education and sports and coaches to work in other countries, and so forth. By December 1971, however, it suggested that a conference be held, attended by representatives of national athletic organizations having some connection with international sports, to work out a common policy and, above all, to publicize the American way of life through sports.

On 22 May 1972, 28 representatives of 20 national athletic and other organizations met for a roundtable discussion in the State Department. The question of federal assistance for athletic organizations was also discussed. Speakers stressed that the time had come for direct financial support of amateur sports in addition to the indirect assistance in the form of tax exemptions for private and corporate contributions.

On 4 December 1973 a second conference was held, and this one was attended by American scholars in political science, law, sociology, psychology and

philosophy, experts on sports and other specialists in addition to representatives of athletic organizations and the State Department. The organization of such conferences, where the exchange of views is accompanied by the setting of priorities and the issuance of instructions, has become the norm.

In 1975 a special presidential commission on Olympic sports was set up to analyze the state of affairs in the country and to draw up recommendations for consideration by the U.S. Congress. The active involvement of sports in government activity began.

In November 1978 Congress passed a law on amateur sports in the United States, recognizing the NOC as the only coordinating body of amateur sports in the country and allocating its first subsidy in the amount of 16 million dollars, only 4 million of which the NOC has received to date.

After the NOC voted not to send the team to the Moscow Olympics under pressure from the Carter Administration in April 1980, even the most confirmed admirers of slogans like "Sport is neutral and independent" and "Sports are above politics" had to acknowledge their "mystical" nature.

The connection between sports and politics has always existed. The history of the development of the American government testifies that many officials have used sports in their own political interest. Presidents of the United States have recognized the political potential of sports, especially during campaigns, and have therefore missed no opportunity to "express their solidarity" with sports publicly. Political columnist James Reston stresses that the increasing popularity of sports has made campaigning politicians replace even the assurances of their "religious devotion" with statements about their "connection with sports."[23]

With a view to the popularity of sports, candidates for the presidency and other government offices often use sports terms, metaphors and slogans in their speeches, such as "game plan," "winning team," "political football" and so forth. "I know that I misuse football jargon in my speeches," G. Ford said, "but I feel this is justifiable for two reasons. America has deep associations with football, and it is of tremendous social significance.... And I know that it is quite easy to find parallels between football and politics."[24] It is true that it was not difficult, especially after Watergate, for G. Ford to find not only common features in U.S. politics and American football, but also common means of attaining "victory at any cost."

Therefore, sport myths help the ruling class embellish the facade of the capitalist society with imaginary "freedom, democracy, equality and harmony" and to use sports as a means of distracting the laboring public from the problems of the bourgeois world.

Like all other myths, American sport myths (which could not be classified as such if they were not based on some elements of truth) do not reflect the realities of life in the American society. The editor of INSIDE SPORTS, J. Walsh, wrote the following in an article entitled "Sports: Media Created Images vs. Reality":

"Readers and viewers have been trained to regard sports as a world of dreams and fantasy, populated by heroes. Viewers ignore the everyday realities of sports because they do not want, at least unconsciously, to destroy their myths. For this reason, the images created by the media and supported by the sports world are accepted."[25]

But each year more and more people involved in sports begin to realize that the "mythical world" is not an "escape from reality," that it cannot serve as a refuge from the outside world and that sport is serving bourgeois ideology. "Sport has always served some kind of ideology," remarked J. Scott, author of "The Athletic Revolution." "The only question is what kind."[26]

Another sport sociologist, G. Kenyon, discusses the growing conflict between ideology and reality in American sports.[27] Sport journalists T. Gotch, R. Lipseit, R. Lipsky and others criticize the realities of American sports and expose myths because they believe that changes in American society must be preceded by changes in American sports.

Professor H. Edwards stresses in his autobiographical work "The Struggle That Must Be" that "any attack on the society's sports institution is intuitively regarded in most cases as an attack on the basic values and convictions of this society, as an attack on the society itself."[28]

The world of professional sports, which was originally created by American business for the sake of profit and has been artificially maintained with television receipts to illustrate the possibilities of the capitalist system and corroborate the ideological myths listed above, is losing sight of its fundamental principle, just as the world of amateur sports in America, and is becoming a business. As such, it is being drawn into the orbit of the general crisis in the capitalist system. This is attested to by all of the examples cited above and by the 50-day strike of major league baseball players in 1981 and the football strike in September 1982, which attracted the attention of the entire nation.

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U.S. ATTEMPTS TO FORCE POLISH LIBERALIZATION BY PRESSURE DOOMED TO FAIL

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 51-55

[Article by Yu. V. Kotov: "In the Grip of Illusions (U.S. Policy on Poland)"]

[Text] The Polish People's Republic has been the target of overt economic and political discrimination by the United States twice in recent decades. In 1951 Washington revoked Poland's most-favored-nation status in trade in the hope of exerting political pressure on this country. In 1960, however, it had to restore this status when it realized the futility of its efforts.

On 27 October 1982 the White House made the second announcement of this kind of action against Poland. The action was an obvious violation of the standards of international law, although people in Washington love to speak about the need to observe these standards. It is contrary to the UN Charter, the Final Act signed in Helsinki and the principles of the GATT, in which Poland has long been a participant.

From the very beginning the current Washington administration has taken every opportunity to make use of the complex economic and sociopolitical situation in Poland to undermine the bases of socialism in this country. Taking action through various channels, U.S. ruling circles have directly and indirectly encouraged counterrevolutionary forces in Poland to launch overt attacks on the socialist gains of the Polish laboring public, camouflaging their subversive activity with talk about "liberalization" and the desire to "help" Poland overcome its crisis. The institution of martial law in Poland on 13 December 1981 paralyzed antisocialist forces in this country and dealt a severe blow to the plans of American ruling circles. "We are mourning more for our hopes than for the Poles," one CBS television commentator cynically remarked.

In an attempt to reverse the course of events, the Reagan Administration officially announced several political and economic sanctions against Poland on 23 December 1981. In particular, Polish fishing boats were not allowed to fish in the American fishing zone, the air traffic agreement was broken, monetary relations were restricted severely and contracted shipments of food and agricultural products to Poland were stopped.

Proceeding from their primitive and biased views of the situation in the socialist countries of Europe in general and Poland in particular, the Reagan Administration and the conservative and rightwing circles supporting it in the U.S. political establishment obviously overestimated Washington's ability and believed that they could seriously destabilize the situation in Poland with the aid of sanctions and intensive foreign policy, economic and propaganda pressure.*

It is the goal of the United States, First Secretary W. Jaruzelski of the PZPR Central Committee remarked in a speech in Jastrzab in December 1982, "to paralyze and starve Poland, bring about the collapse of its power engineering and transportation sector and provoke an uncontrollable outburst of despair." Washington hoped to evoke a new wave of civil disorder by turning the people of Poland against the Polish Government and thereby creating a favorable atmosphere for a new counterrevolutionary offensive.

Official U.S. political spokesmen openly declared their support for the leaders of the antisocialist underground in Poland, Polish emigres seeking to establish the political prestige of Solidarity union leaders in the West and traitors like former Polish Ambassadors R. Spasowski and R. Rurarz, who defected to the United States and are now serving there as professional "experts on Polish affairs." Washington launched a genuine radio war against Poland, using the government radio station "Voice of America" for this purpose, as well as "Radio Free Europe," the center of ideological sabotage which openly incited the Polish population to new disorder and chaos, called for the resistance of government measures and transmitted instructions to the antisocialist underground.

While it was pressuring Poland, the White House promised to revise its approach if the government would cancel the state of martial law and resume the dialogue with Solidarity. As "payment" for this, Washington promised to cancel its sanctions and to normalize U.S. trade, economic and financial relations with Poland and even to assist in the reconstruction of its economy (something like a "Marshall Plan" for Poland).

Members of American ruling circles obviously hoped that a policy of blackmail and promises would help Washington force Poland to renounce the course it had chosen. The Polish Sejm's adoption of a new law on trade unions in October 1982, which imposed a ban on Solidarity activities, was a blow to Washington. A few days after the law was passed, President Reagan spoke on American radio (an official announcement preceding the broadcast said that the President would be speaking on job placement problems and unemployment in the United States), indulging in a tirade against Poland and its leadership and threatening new sanctions.

It is obvious that Washington politicians are in the grip of illusions and distorted ideas about today's world and about the situation in the socialist

* At a meeting of the "big seven" in Versailles in June 1982, for example, the U.S. President asked the NATO allies to support Washington's policy on the European socialist countries and declared: "If we push them, they will fall over."

countries, especially Poland. They do not want to consider the fact that the plan to use Polish counterrevolutionary forces for subversive purposes has no real basis in Poland today because the antisocialists in Poland, who were able at first--with the aid of demogogy and by passing themselves off as the "true protectors" of the laboring public--to have a definite effect on the course of events, have been exposed and completely discredited.

W. Jaruzelski stressed: "Washington suffered a defeat in Poland."

It is indicative that the appeals (including those transmitted by Radio Free Europe) of former Solidarity leaders for a general strike in November 1982 were resolutely rejected by the population of the Polish People's Republic. The majority of Poles now view the reinforcement of the unity of the entire nation as their main objective because they are certain that this is the only way of overcoming internal difficulties and consolidating the foundations of the socialist order.

The decisive actions of the Polish authorities to defend the gains of the laboring public and the support of these measures by the population aroused serious doubts in many American political figures about the accuracy of the statements of Washington administration ideologists and strategists who had predicted the "fall of socialism" in Poland, and about the validity of the U.S. hope of changing the sociopolitical order in the socialist countries. In particular, former American Ambassador to the USSR M. Toon, a politician who learned about real socialism through personal experience rather than through the "studies" of Sovietologists, said in a U.S. NEWS AND WORLD REPORT interview in March 1982 that in its relations with the socialist states, the United States should always be aware of "how little it can do to effect radical changes in Eastern Europe." The events in Poland are convincing proof of this.

Dissatisfaction with the Reagan Administration's policy on Poland (and on the USSR and other socialist countries) has increased perceptibly in the U.S. Congress as well. The struggle over policy on the "Polish question" has simultaneously grown more intense. The first significant symptoms of this were displayed most clearly in the winter and spring of 1982, when some senators, particularly Democrat D. Moynihan and Republicans R. Kasten and J. Garn, introduced a bill to declare Poland "insolvent" and demand the immediate repayment of loans. At the same time, as R. Kasten remarked, the authors of the bill were pursuing political goals, namely the change of the existing order in Poland and the "collapse of the communist system" in Eastern Europe. Whipping up propagandistic hysteria over this matter, conservative American senators and congressmen launched a broad campaign in the U.S. news media to insist that Poland be declared "insolvent." Their efforts were unsuccessful, however: The bill was rejected in the Senate (55 senators voted against it and 39 voted for it) and in the House of Representatives (256 against and 152 for).

The realization that, in spite of all difficulties and many unsolved problems, the tendency toward the normalization of sociopolitical and economic life in Poland was growing stronger and that the population as a whole supported the line of the PZRP and government, condemning the subversive activity of

antisocialist forces in the underground and abroad, aroused even more dissatisfaction with the policy of sanctions in many American politicians and representatives of the business community. They viewed it as an erroneous line requiring immediate revision.

Much of the American political establishment was aware that the White House was trying to use the "Polish card" in its policy of global confrontation with the USSR. For example, it announced sanctions against the Soviet Union on the pretext that it supposedly "was seriously to blame" for the declaration of martial law in Poland. This move had a negative effect on the development of East-West relations and evoked covert and overt criticism from all of the main NATO allies.

Although the American allies in Western Europe were bound by their NATO obligations to support the American sanctions against Poland in general, their position differs considerably from that of the White House. In spite of increased U.S. pressure, Western Europe has not displayed any particular desire to copy the Washington administration's actions and has criticized its behavior toward the European socialist states in general and Poland in particular. A WASHINGTON POST editorial said that "the Polish crisis engendered some new unhealthy disagreements in the Atlantic community."

Western European leaders believe that the Reagan Administration has deliberately overdramatized the situation in Poland and is obviously overestimating the United States' ability to influence this situation. They are seriously worried and disturbed by the fact that, in seeking global confrontation with the Soviet Union and trying to turn the Polish crisis into an international incident, the United States is not only ignoring the economic and political interests of its NATO partners (and, in the final analysis, undermining their security) but is also striving to attain its goals at Western Europe's expense. The weekly VORWAERTS, the organ of FRG Social Democrats, made the following remark in this connection: "The American Government is trying to subordinate East-West relations to its own goals in the confrontation with Moscow, and Poland is serving as nothing more than a screen."

Members of U.S. ruling circles are also aware that the Reagan Administration is inflicting perceptible damages on the American economy by pursuing the line of confrontation with the USSR and other socialist countries and using the "Polish question" for this purpose. Whatever the political results of Reagan's sanctions against Poland and the USSR might be, the NEW YORK TIMES remarked, "American farmers have already paid a high price and are now being asked to make even greater sacrifices."

"The Americans with their sanctions look like idiots, and this is nothing new.... The conclusion of agreements and the reinforcement of our economic potential contribute to our national strength. We should not give in to pressure from the right and take the stand of the foolish advocates of what is known as the tough line," Chairman C. Percy of the Senate Committee on Foreign Relations said.

Nevertheless, statements and remarks by some U.S. politicians indicate that rightists and conservatives are making new attempts to declare Poland

"insolvent" and are also demanding "tougher sanctions" against it. In the hope of winning the "mandate" of U.S. ruling circles for a tough line in relations with Poland, they are trying to use the law passed by the Polish Sejm on trade unions in their own interest. With the direct participation of the administration itself, an intense anti-Polish propaganda campaign has been launched and is supposed to prepare Western public opinion for the idea that the new U.S. sanctions are a "necessary retaliatory measure to influence" a country where "civil and labor freedoms are being suppressed."

This was precisely the tone of the President's announcement of 10 December 1982 and of the anti-Polish resolution passed by the American Senate that same day.

Considering these facts and the continuous U.S. attempts to make use of scientific and cultural contacts with Poland for intelligence and subversive purposes, on 15 December the Polish Government broke off all contacts of this kind with the U.S. Information Agency and other American government institutions engaged in anti-Polish activity. Several important laws pertaining to the domestic political situation in Poland were passed at a session of the Polish Sejm in the middle of December. The state of martial law was suspended. As W. Jaruzelski said in a speech on Polish radio and television, "the past year was an important test. We passed it.... We survived a boycott, 'sanctions' and unscrupulous propaganda attacks. The Government of the United States and some of its partners have witnessed the futility of attempts to interfere in Polish affairs."

In spite of all this, U.S. ruling circles do not want to see things as they really are and accept the fact that their plans to undermine socialism in Poland turned out to be impracticable. People in the White House are again making the serious mistake of assuming that the United States can attain its goals by revoking Poland's most-favored-nation status in trade, raising customs duties or imposing other sanctions. "These moves," Polish Minister of Foreign Affairs S. Olszowski pointed out at a meeting of the Sejm Committee on Foreign Affairs on 24 November 1982, "will hurt more than just our country, are directed against the international political and economic order and will undermine mutual trust." They will deal a severe blow to East-West relations, complicating the international situation even more, and this will ultimately result in the failure of Washington policy and in losses in the American economy.

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BROAD-BASED, DIVERSE NATURE OF U.S. ANTIWAR MOVEMENT STRESSED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 55-62

[Article by Ye. N. Yershova: "The Nuclear Freeze Movement Is Growing Stronger"*]

[Text] Political life in the United States in 1982 was marked by the appearance of a fundamentally new factor: The broad antinuclear movement became a serious factor influencing the political opinions of the public. The slogan of the U.S.-Soviet nuclear freeze turned out to be appealing and comprehensible to millions of Americans who agree that the race for nuclear arms must be stopped and effective measures must be taken to avert the danger of nuclear war.

For the first time since nuclear weapons were created, appeals for the limitation and prohibition of their production have literally stirred up the nation. Many well-known career politicians and military men have joined the discussion begun by the antinuclear movement, but the main thing is that millions of average Americans have joined the movement. The protest against the manufacture and accumulation of nuclear weapons has acquired nationwide dimensions. This protest has united the inhabitants of major metropolitan centers and "single-story America," liberals from the university centers of the East Coast and conservatives from the "Sun Belt." The movement's activists represent various classes and social groups, belong to various parties and adhere to various political and philosophical views and religious beliefs. All of them have been seized by the common desire to avert the danger of a thermonuclear catastrophe and to keep the peace.

The broad, representative nature of the antinuclear protest has affected the forms in which it has been manifested. Of course, antiwar organizations have not discarded their traditional methods of action. In 1982 the world witnessed the most massive antiwar demonstration in U.S. history when a million fighters for peace gathered in New York on 12 June. Teach-ins and rallies were held everywhere, lectures and sermons were presented, signatures were collected for petitions and appeals, elected officials were the recipients of a continuous

* For a discussion of the initial stages of the mass antinuclear movement in the United States, see "The U.S. Antinuclear Movement and Its Roots" in issue No 6 for 1982--Editor's note.

flood of letters and telegrams, and the services of lobbyists were employed. This was probably the first time that the members of the antinuclear movement were able to use the political mechanism on all levels for the implementation of their foreign policy demands. The most significant aspects of the process were the direct participation of millions of Americans in ballots and referendums on the matter of nuclear arms control and the discussion of this issue by local and state elected bodies; no other U.S. administration has ever encountered this phenomenon. In general, in the past these methods were usually used only in the case of domestic problems, and these were most often problems with local implications.

As a result, the antinuclear movement's activists achieved the inclusion of the nuclear freeze issue on the agenda of many meetings for the discussion of local municipal problems. In New England alone, the inhabitants of almost 450 cities supported the freeze. This fact is all the more impressive in view of the conformist attitudes and adherence to tradition which prevail in the small cities of this region. The freeze was discussed by municipal assemblies in several cities in South Dakota, Illinois, Ohio and Missouri, although the "big press" did not cover the proceedings and results in detail.

The resolutions passed by the municipal councils of cities and counties were another form of support for the nuclear freeze. These resolutions were not few in number either, although the precise figures are not known. Similar resolutions were passed by the state legislatures of Connecticut, Massachusetts, Oregon, Wisconsin, Vermont, Minnesota, Iowa, Maine, Delaware and Kansas; in some states (for example, California and New York), nuclear freeze resolutions were supported by one legislative chamber.

The decisions of municipal assemblies and resolutions of local and state bodies are not strictly binding in the legal sense and contain merely an appeal to the Congress and the President, something like an instruction or recommendation, but the value of these resolutions as means of influencing the federal administration and, in particular, the Capitol should not be underestimated: They reflect the opinions of broad segments of the American public, their mounting worries about the danger of nuclear war and the determination of Americans to force the administration to take a responsible approach to this matter.

It was this pressure from below that caused the U.S. Congress not only to give some attention to the idea of a nuclear freeze but also to discuss it in earnest. It stimulated the appearance of other resolutions pertaining to arms control in the Congress. In particular, it revived congressional interest in the SALT II treaty. As a result, 25 bills, connected in some way with the major problem of curbing the nuclear arms race, were submitted for discussion in the Senate and House of Representatives in the first 6 months of 1982.

The bills vary in terms of their nature. Some were introduced by legislators seeking a substantial reduction of the threat of nuclear war. The most noteworthy of these bills was the resolution of Senators E. Kennedy (Democrat, Massachusetts) and M. Hatfield (Republican, Oregon), which was supported by

27 senators. A similar resolution was introduced in the House by E. Markey (Democrat, Massachusetts) and was supported by over 160 congressmen.

Other bills were introduced by legislators seeking a buildup of American military strength and trying to confuse people with antiwar feelings. They verbally acknowledged the need for a nuclear freeze, but their resolutions are essentially intended to camouflage administration military programs. This is the purpose, for example, of the resolution of Senators H. Jackson (Democrat, Washington) and J. Warner (Republican, Virginia), supported by 57 senators, including party majority and minority leaders H. Baker and R. Byrd. A group of 14 congressmen, headed by W. Carney (Republican, New York), introduced the same kind of bill in the House. This resolution was correctly described by E. Kennedy and M. Hatfield as a "figleaf to cover the arms race."

The authors of some resolutions tried to reconcile these two tendencies. They include Senators A. Cranston (Democrat, California) and J. Glenn (Democrat, Ohio). Cranston's proposals consisted essentially in an immediate quanitative freeze on U.S. and Soviet nuclear arsenals with the reservation of the right of selective modernization; he also advocated a comprehensive ban on nuclear tests and on the production of fissionable materials. Senator J. Glenn suggested a freeze--but only until 1985--on the testing, production and deployment of strategic weapons on the level stipulated in the SALT II treaty and the institution of additional measures against nuclear proliferation. The steps he proposed include talks on the reduction of medium-range nuclear weapons and conventional weapons in Europe and restrictions on the sale of weapons to developing countries.

The bill introduced by Congressman A. Gore (Democrat, Tennessee) is also of a palliative nature. He proposed a selective freeze, extending first to land-based strategic multiple missiles, followed by nuclear arms limitation talks.

Senator C. Mathias (Republican, Maryland) criticized the idea of the nuclear freeze "from the left." He requested President Reagan to begin negotiating the complete destruction of nuclear weapons with the Soviet Union without delay, because, in his words, "the freezing of nuclear stockpiles at a level sufficient for the destruction of all civilization will only stabilize the situation and will not make it any better."

The focus of the congressional debates turned out to be the Kennedy-Hatfield and Jackson-Warner resolutions and the similar proposals in the House of Representatives. The foreign relations committees in the Senate and House disagreed in their assessment of these resolutions. The first of them rejected the Kennedy-Hatfield resolution by a vote of 9 to 6--virtually in accordance with the party affiliations of committee members. This committee supported Senator C. Percy's (Republican, Illinois) bill, proposing that the administration adhere to all provisions of the SALT II treaty as long as the Soviet Union adhered to them; at the same time, it voiced approval of the American stand on the Soviet-American talks on strategic arms limitation. The House Committee on Foreign Affairs approved the freeze proposal in the amendment by J. Bingham (Democrat, New York) to the resolution of C. Zablocki (Democrat, Wisconsin). Zablocki's resolution requests the United States and the USSR to

begin strategic arms limitation talks without delay and acknowledges the need to ratify the SALT II treaty. The Bingham amendment was adopted with it, by a vote of 26 to 9, and in the House there was a rift in Republican and Democratic party ranks: 19 of the 21 Democrats and 7 of the 16 Republicans voted for the freeze. There is no question that the House committee was influenced by the huge antiwar demonstration which took place not long before the balloting, on 12 June. The Senate vote was taken earlier.

When the vote was taken in the House of Representatives as a whole, however, the majority (although a minimal one of 204 to 202) voted for the resolution that was closer to the Jackson-Warner bill, which was introduced by W. Broomfield (Republican, Michigan). Members of the House were pressured directly by the administration. President Reagan sent a personal letter to each congressman to request a vote against the freeze because, as he put it, the adoption of this resolution would weaken the U.S. position in talks with the Soviet Union. Besides this, on the eve of the ballot he invited a group of undecided congressmen to come see him; Secretary of Defense C. Weinberger, Secretary of State G. Shultz and Vice President G. Bush "worked on" the congressmen. The voting results were viewed by the American press as a challenge to the President. In spite of all his efforts, 175 Democrats and 27 Republicans did not support the Broomfield resolution.

Finally, several proposals which pertained to nuclear arms control but did not say a word about the freeze or about SALT II were submitted for discussion in Congress. They include the resolution of G. Hart (Democrat, Colorado), member of the Senate Committee on the Armed Services, about talks aimed at averting nuclear war as a result of "miscalculations or accidents." Senator A. Specter (Republican, Pennsylvania) introduced a resolution asking the President to "take measures to organize summit meetings with Soviet leaders for the purpose of reducing the danger of nuclear war and determining the ways and means of more effective control over nuclear weapons and the reduction of stockpiles." This proposal was approved by the Senate in May 1982 by a vote of 92 to 6 as an amendment to the bill on Defense Department allocations for fiscal year 1983.

The draft resolutions listed above are far from a complete list of the arms reduction proposals submitted for congressional discussion. On the whole, they testify that the antiwar movement has stimulated antinuclear opposition even on Capitol Hill. Nevertheless, the legislators' love of peace cannot be overestimated, particularly in view of the fact that several proposals were designed primarily to manipulate public opinion, dilute the antinuclear protest and undermine the unity of the movement. It is no coincidence that some bills are worded in such general terms that they contain virtually nothing other than vague expressions of good intentions. Others, on the contrary, are so overloaded with technical military details that their actual purpose is not immediately apparent even to specialists.

It is important to note that virtually all members of the House of Representatives and a third of the senators who had to pass through the crucible of the midterm elections in 1982 had to take the popularity of the demand for a nuclear freeze into account. During all of the past year, congressmen heard

increasingly loud demands from their constituencies for effective steps to avert the danger of nuclear war. Even representatives from the more conservative southern states realized that their voters supported the nuclear freeze and that they could not afford to ignore this. According to Congressman S. Solarz (Democrat, New York), many legislators "are intimidated not by nuclear bombs, but by voters." The mounting antinuclear protests had a significant effect on congressmen and on candidates for gubernatorial offices, seats in state legislatures and local government offices.

Antiwar organizations gave many candidates organizational, propaganda and financial support. For example, the Council for a Livable World campaigned for 56 candidates for the House and 18 Senate candidates.

The antinuclear movement continued to grow all year. Old organizations grew larger and new ones came into being. Not long before the elections, several dozen antiwar, labor, religious, women's and other public organizations with a total membership of over 18 million united in a coalition, Citizens Against Nuclear War, expressly for the purpose of exerting stronger influence on the election procedure.

The actions of clerical peace organizations, particularly the published message of the Catholic Bishops, seriously influenced the election results. It was addressed to Americans of all faiths, and not only to Catholics, and sharply criticized the administration's nuclear policy. Stressing that even "reasonable political goals do not absolve moral blame for the start of nuclear wars," this religious organization, which has always been considered conservative, expressed serious doubts about the morality of the concepts lying at the basis of current U.S. foreign policy. The message essentially advised Americans not to carry out orders which could result in a nuclear war: "No Christian can carry out even fully legal orders or take other actions aimed deliberately at the murder of civilians," the document says.

The scales of the public protests against the danger of nuclear war seriously disturbed ruling circles. In connection with the bishops' message, President Reagan sent Ambassador-at-Large V. Walters to the Vatican with the hope, according to NBC correspondent M. Kalb, of gaining papal support "in the delicate matter of restraining the antinuclear feelings spreading through the hierarchy of the American church." This provides more evidence of how serious a political factor the antiwar movement has become. The American Conference of Roman Catholic Bishops, which unites 278 church officials, approved the abovementioned bishops' message by a landslide in the middle of November last year, and the final draft is to be approved in May 1983.

It is true that the effects of the antinuclear movement on the election procedure and results were not always obvious because economic and social issues were the focus of the campaign and only a few candidates used antinuclear campaign slogans. This gave some journalists and politicians a pretext to deny this influence. The NEW YORK TIMES predicted in October, for example, that "the demonstrations against nuclear weapons...will not have any particular effect on the elections." It was echoed by the BOSTON GLOBE, which reported after 2 November that "the opinion that advocates of the freeze would

have a strong effect on the election results was an exaggeration." But others, such as Director J. Moore of Harvard University's Political Science Institute, maintained that "this issue played a definite role in the campaign rivalry in the overwhelming majority of cases."

It must be said that the attitude toward the freeze issue decided the fate of some legislators. Republican J. Coyne, member of the House of Representatives of the 97th Congress from Pennsylvania, provides a particularly vivid example of this. He supported the freeze but was influenced by the President's appeals to vote for the Broomfield resolution; furthermore, his vote was one of the two which ultimately decided the fate of the freeze proposal. His opponent, Democratic candidate P. Kostmayer, supported the freeze throughout his campaign and won a conclusive victory.

Democrats R. Carr from Michigan and R. Mrazek from New York entered the House of Representatives after running as "peace candidates." The need to curb the arms race was a prominent theme of the campaigns of Democratic Senators E. Kennedy and G. Mitchell (Maine), Democratic gubernatorial candidate A. Earl in Wisconsin and several others.

The widespread popularity of the demand for a nuclear freeze led to a situation in which most of its opponents decided not to take an open stand on the issue, "preferring," according to the NEW YORK TIMES, "to avoid it." In the states where the antinuclear movement was particularly active and broad-based--in New Jersey and Michigan, for example--virtually all candidates from both parties supported the freeze. In some ways the situation was reminiscent of the early 1970's, when politicians vied with one another in condemnations of the Vietnam War and quickly exchanged the armor of the "hawk" for the feathers of a "dove."

On Election Day around one-third of all voters had to express an opinion on the nuclear freeze. Referendums on this issue were held in nine states, the District of Columbia and 29 cities and counties. Wisconsin had this kind of referendum in September. The very fact of simultaneous referendums on the nuclear freeze stimulated political activity by average citizens. According to L. Willings, executive director of the Democratic Party senate elections committee, "issues like the nuclear freeze draw people into the political process."

The referendum results were, according to renowned journalist E. Lewis, "extraordinary." The freeze was supported by a majority in all states but Arizona. It was also supported by the inhabitants of almost all of the cities and counties where referendums were held. The proposal was voted down only in two counties--Mesa in Colorado and Izard in Arkansas. In itself, however, the fact that referendums were held in such arch-conservative regions could be regarded as an indisputable victory for the antinuclear movement.

In general, the holding of simultaneous referendums in so many parts of the country, and on a foreign policy issue at that, is an unprecedented phenomenon in U.S. history. National referendums are not envisaged in the U.S. Constitution but are practiced on the local and state levels, pertain to local

issues and are regulated by state laws. Each state has its own procedure for raising issues, determining the voting procedure and even tallying the votes. This time as well, referendums in different states, cities and counties were held in different ways. Even the very proposal put to a vote was worded in different ways. In California, for example, it was called "Proposition 12" and said: "The people of the State of California propose that the U.S. Government propose to the Government of the USSR that both countries agree on the immediate cessation of the testing, production and further deployment of all nuclear weapons, missiles and means of their delivery in a manner permitting control and verification on both sides." New Jersey was the only state in which the voters were asked to support not only an appeal for a nuclear freeze but also the reduction of military expenditures with the subsequent use of these funds for social needs.

The result was something close to a national referendum; around 11 million people supported the nuclear freeze (with 7 million voting against it).

The nuclear freeze resolution won the strongest support in Massachusetts (74 percent for, 26 percent against), New Jersey (66 and 34) and Oregon (61.5 and 38.5). The slightest margin with which the supporters of the freeze won their battle was in California--53 percent for, 47 percent against. Nevertheless, it was their success in this state that is of particular significance to antiwar forces. After all, it was precisely the Californians who initiated the statewide freeze referendum by beginning to collect signatures for petitions as early as December 1981. By May 1982 more than 800,000 people had signed this kind of petition but the battle over the issue continued to rage. It is in California that the military-industrial complex is stronger than in any other part of the country. What is more, President Reagan, whose political career is associated with California, made a considerable effort to oppose the campaign. When he spoke in Los Angeles in summer 1982, he asked the Californians to "trust" him, and not those who were fighting against nuclear weapons, because only he had all of the facts necessary for a correct decision on the matter. Otherwise, he assured his fellow Californians, the United States would be "vulnerable" to nuclear pressure from the USSR. Nevertheless, one of the two chambers of the state legislature approved the freeze resolution. Although many voters displayed their trust in Ronald Reagan on 2 November, the majority of the state population supported the freeze. This is why this victory was so important.

The federal administration spent a great deal of money and effort to undermine the antinuclear movement, combining pressure and intimidation with slander and the outright distortion of facts. At first the President hoped to compromise the activists of the movement and thereby turn the majority of Americans against them. In October 1982, when he made a campaign tour of the nation, he accused the movement of being "inspired not by honest and sincere people who seek peace, but by people who want to make America weak." His words were echoed by other administration officials. For example, C. Weinberger asserted that the freeze would only heighten the risk of nuclear war.

These arguments--if they can be described as such--by the President and his closest advisers were accompanied by sentimental assurances of sympathy with

the goals of the antiwar movement and with the leveling of overt threats and insults at the movement. As Election Day approached, the statements by officials became increasingly aggressive and slanderous. The NEW YORK TIMES described the administration's attitude toward the peace movement as "McCarthyism" and "base political intrigue." But neither peaceful rhetoric from the White House nor all types of pressure and intimidation could muffle the antinuclear protests.

The idea of a nuclear freeze was supported by almost a fourth of the American voting public. The desire of the masses to stop the arms race turned out to be so strong that even administration spokesmen had to admit that "the support of the nuclear freeze resolution reflects the people's deep desire to prevent nuclear war and their wish to express their anxiety."

After the referendums had been held, ruling circles tried to diminish their results or to ignore them altogether (this was just like the situation in the beginning of the 1970's, when President Nixon announced several times that no amount of demonstrations against the war in Vietnam could influence the policy of his administration). Although historical parallels can be risky, we can predict that Ronald Reagan will also find it increasingly difficult to pretend that he does not hear "the desperate public appeals to the government for change and for the kind of steps toward arms control that would really put an end to the arms race and then reverse the nuclear spiral." This is how former Secretary of State C. Vance described the struggle for the freeze.

Antiwar organizations plan to engage in even broader activity in coming years. They viewed the 1982 elections only as their first step in their "struggle to deliver the world from nuclear weapons." In 1983 they plan to conduct another vote on the freeze in the House of Representatives and anticipate success because, according to their calculations, the number of the initiative's supporters in the House has increased by 39. Besides this, many activists hope to influence the position of congressmen during the discussion of military programs. Antiwar organizations intend to fight against allocations for the MX and Pershing-2 missiles, viewing them as "first-strike weapons." Congressman E. Markey, the author of a nuclear freeze bill, believes that serious changes are taking place in the alignment of forces in Congress and in the country in general. The "iron triangle" (Pentagon--weapon manufacturers--congressional armed services committees) once made decisions on matters without including the public or even other members of Congress in the discussion of these matters. Now, however, the average citizen is becoming involved in this process, Markey says, and Congress must serve as a middleman between the public and the "triangle." Congressmen realize, in his opinion, that they will have to pay a high political price if they concede too much to the "triangle." "This is why the freeze referendums are so important," he concluded.

Of course, not all members of the antinuclear movement are this optimistic: After all, the opponents of detente have not been idle either. They have also made a more energetic effort, backed up by the organizational structure and solid financial base of such rightwing organizations as the American Security Council, the Moral Majority, the Eagle Forum and others. Rightwing forces have also been consolidated within the walls of the Congress. For

example, Chairman J. Denton of the Subcommittee on Security and Terrorism tried to start a new "witch hunt" by leveling direct accusations at members of the American peace movement, alleging that they are "either under Soviet control or openly sympathize with the Russians and defend the goals of communist foreign policy." The activities of all these forces are under the personal supervision of President Reagan.

There is no question that the supporters of peace and nuclear disarmament in the United States cannot expect an easy victory. But it is equally obvious that the administration will not be able to stop the growth of the antiwar struggle through manipulation or repression. In the next few months and the next few years the battle over the most important issue of our day--the need to prevent thermonuclear war--will grow more intense and the antinuclear movement will be joined by tens and hundreds of thousands of new fighters for peace.

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1982 GUBERNATORIAL ELECTIONS SEEN AS DEFEAT FOR REAGAN

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 63-67

[Article by Ye. P. Ionova: "Governors: A New Alignment of Forces"]

[Text] During the midterm elections in the United States in November 1982, as we know, gubernatorial races were held in 36 of the 50 states. In light of the overall result of the congressional elections, in which the Republicans suffered serious losses,* the results of state and municipal elections--gubernatorial races and elections for legislatures and local government--appear particularly significant. Here the Republican candidates were defeated in 27 of the 36 states; furthermore, the Democrats won 7 new gubernatorial posts. In the country as a whole, there are Democratic governors in 34 states and Republicans in 16.

The gubernatorial races were a big event in the 1982 campaign. And not only because they were marked by particularly heated battles between contenders from both parties. The outcome of the election would be quite important from the standpoint of immediate and long-range implications for the administration.

As soon as President Reagan entered the White House, he emphasized the need to ensure Republicans the dominant position in the executive bodies of the states, regarding this as a means of strengthening Republican influence on the national level (we should recall that the Republican candidate in the 1980 presidential election--that is, Ronald Reagan--was supported by only 27 percent of the Americans who were eligible to vote). There was the assumption that the main instrument of political manipulation would be the "new federalism," which envisages the transfer of several federal government functions to state and local government, along with the burden of the attendant expenditures, primarily in the social sphere. In particular, the "new federalism" was aimed at winning the support of state authorities by playing up to them and simultaneously making use of the "decentralization" of social programs for their curtailment.

The main issues in the power struggle in states with a heavily burdened economy could not have been anything other than unemployment, industrial production

* See the article by V. O. Pechatnov in No 1, 1983--Editor's note.

cuts due to high interest rates, the financial crisis in the social security system and other acute economic problems. Under these conditions, the strategy of Republican gubernatorial candidates consisted in an attempt to gloss over economic difficulties and in appeals for patience in the anticipation of the future successes of "Reaganomics." All of the blame for the pitiful state of the economy was laid on the policy of all preceding Democratic administrations since the time of F. Roosevelt. The Republicans made skillful use of the fact that the Democrats had no concrete alternative program of economic recovery to offer the voters in this campaign.

It is indicative that some Republicans tried to dissociate themselves from Reagan's policy, seeing it as a threat to their personal goals. For example, Republican R. Snelling, chairman of the National Governors Association (NGA), owed his victory in the state of Vermont largely to his independent stand on matters of budget policy and his criticism of the President's performance. Although Snelling, a conservative Republican, was once reputed to be one of the President's most loyal supporters on the state level of political leadership, he started criticizing the policy of reducing the budget by cutting social programs at the end of 1981. He received considerable press coverage for his speech at a National Urban League conference in December 1981, when he said that he was "infinitely shocked" by Ronald Reagan's interpretation of the idea of "new federalism," which indicated plans for sharp cuts in federal financial aid to state and local government.

What were the election results in various regions and states?

First of all, we must say that the process was not confined to a defeat for the Republicans and their replacement by Democrats in the political leadership of many states. It is probably even more significant that almost all of the Democratic victors were liberals. This applies above all to the midwestern states, where the Democrats gained the largest number of new offices. Here the economic recession had aggravated economic problems to the maximum and the inability of Reagan's conservatism to solve these problems had been displayed to the utmost. The rate of unemployment in these states is the highest in the nation. In Ohio, for example, it has reached 13.8 percent of the able-bodied population. This has been due to a sharp decline in production, particularly in the automobile industry. Besides this, it is in the Midwest that farmers have the lowest income, in the last 5 years at any rate. As early as November 1981 the officials who attended a special conference of Republican governors informed the President of their concern that his policy might have a negative effect on the results of the coming gubernatorial elections. At that time, Republican Governors W. Milliken from Michigan, L. Dreyfus from Wisconsin, J. Thompson from Illinois and A. Quie from Minnesota met with Ronald Reagan to warn him that the states had cut social expenditures to a minimum and that any further cuts could mean the loss of these states by the Republicans.

The governors' fears were justified. The Republicans lost the gubernatorial posts in all of the major industrial states. Economic problems were the main reason for the defeat of Republican Governors up for re-election in Minnesota, Michigan and Wisconsin. Their places were taken by liberal Democrats R. Perpich, J. Blanchard and A. Earl (respectively). They promised to lower

unemployment by instituting employment programs. In Michigan J. Blanchard, in contrast to R. Hadley, his opponent and a supporter of "Reaganomics," opposed the ban on abortions and supported the Equal Rights Amendment. In Wisconsin the nuclear freeze, referendums on which were held at the same time as the elections in eight states, became a key campaign issue along with unemployment; Democrat A. Earl's support of the freeze in addition to the women's movement and environmental protection assured his victory.

Liberal Democrats were also the winners in two other midwestern states--Ohio and Nebraska. In spite of the President's publicized trip to Ohio to support the Republican gubernatorial candidate, Congressman C. Brown, Democrat R. Celeste won by a sizeable margin (59 percent to 39 percent). In Nebraska, where declining agricultural prices are an acute problem, Democrat R. Kerrey defeated Republican Governor C. Thone. The Democrats' victory in Nebraska is also significant because this state ranks third among the states in which Ronald Reagan won by the widest margin in the 1980 election (72 percent), and the rate of unemployment here (5.5 percent) is now only half as high as the national average. American observers attribute Kerrey's victory less to his personal popularity than to dissatisfaction with the policy of C. Thone, who supported a tax increase and other unpopular measures.

The northeastern states, where the influence of Democrats was also strengthened perceptibly, were the scene of fierce battles. Opposition to the President's economic and budget policy was stimulated by the high rate of unemployment in the region's industrial cities. Democratic governors up for re-election stayed in office in 4 of 11 eastern states, and in New York and Massachusetts this party occupied newly vacated offices.

In New York liberal Democrat M. Cuomo was elected governor. Backed up by various elements of the Democrats' traditional base in this region--union members, the poor, blacks, Jews and members of the intelligentsia--Cuomo defeated Mayor E. Koch of New York City, a conservative Democrat with strong ties to Wall Street, in the primaries and then won the race against the Republican candidate for governor, millionaire L. Lerman in November. Lerman's support of administration economic policy played the deciding role in his defeat. His intensive advertising campaign in the press and on television did not help him, although he spent the colossal sum of 12.5 million dollars on his campaign.

The election in Massachusetts ended in a victory for liberal Democrat M. Dukakis. With E. Kennedy's support, he defeated conservative Democrat E. King, the governor of this state, in the primaries. Dukakis called his victory over Republican J. Sears in November a "defeat for Reaganomics."

The 1982 midterm elections were also noteworthy because the Democrats successfully withstood the "offensive" of Republicans in the South. The latter lost control over the gubernatorial offices in Texas and Arkansas. Whereas the Democrats had 6 out of 9 gubernatorial posts in the southern states prior to the elections, the gap has now widened and the ratio is 8 to 1. In Alabama Democrat G. Wallace, the former governor of this state who was confined to a wheelchair after an attempt on his life in 1972, returned to his former office. Wallace won the race by playing up to black voters.

Reagan's supporters in the South suffered their most serious defeat in Texas, where moderate Democrat M. White won 53 percent of the vote, defeating Republican W. Clements, an energetic advocate of "Reaganomics" who was supported by 43 percent of the voters. An important factor in Clements' defeat was the impact of the consequences of economic crisis on Texas after two decades of rapid economic growth. In particular, the rate of unemployment here reached the record figure of 8.5 percent for the first time in many years. White's victory was ensured to a considerable extent by the votes of members of ethnic minorities, especially those of Mexican origin: He was supported by 85 percent of the Spanish-speaking voters. In the words of J. Frankis, the Republican candidate's campaign manager, "the deciding role in Clements' defeat was played by three problems: unemployment, the social security crisis and crime."

Only in California, the most densely populated state and one which was under the control of a Democratic governor prior to the elections, were the Republicans able to win an important victory. Here the Democratic candidate, Mayor T. Bradley of Los Angeles, an Afro-American, lost to Republican G. Deukmejian.

The Democrats were quite successful in the elections to state legislatures, where they now hold the majority in 34 of the 50 states.

The 1982 midterm elections made significant changes in the balance of power on the state level. Now it will be more difficult for the administration to win the support of state and local officials for its policy. This applies above all to the plans for the implementation of the "new federalism."

The increased strength of the liberal wing in the political leadership of the states is undermining the influence of the traditional coalition backed up by the conservative majority in both parties, and this should have an effect on the position taken by organizations of state authorities, such as the National Governors Association, National Conference of State Legislatures and others. These organizations represent an important political force on whose support the President relies. But their position had undergone a significant transformation by Election Day.

In the beginning of 1981 the NGA was supporting the President's economic program, including the cuts in social spending; it responded with enthusiasm to the plans for the decentralization of the majority of social programs. The President's promise to expand the powers and budgets of the states considerably by putting several federal programs under their jurisdiction helped to neutralize the potential dissatisfaction of governors with cuts in federal funds. The situation had changed by the beginning of 1982, however, when it was learned that the state budgets would not be augmented to any considerable extent and that the state of their finances would deteriorate. Speakers at an NGA conference at the end of February 1982 stressed that Reagan's policy would increase the financial burden of state and local government. The budget cuts proposed by the President for 1983 were also opposed by the National Conference of State Legislatures, which had supported the President's program prior to this.

On the whole, there was serious opposition to Reagan's domestic policy on the level of local government even before the elections. After all, it is local government that is most directly involved in the resolution of acute social problems--poverty, unemployment, the shortage of affordable housing, etc.

The President's decision to cut off aid to the cities was protested vehemently by local government officials. Most of them are also opposed to the program of "new federalism," which promises them only new financial difficulties. The U.S. Conference of Mayors, representing the mayors of 770 large cities (with a population of over 30,000), is actively opposing the "new federalism." This conference, which came into being as a result of the development of direct ties between the federal government and the cities, a process begun by F. Roosevelt, has traditionally been geared to the Democratic Party, to which the majority of its members belong.

The Democratic victory in the gubernatorial elections sharply diminished the "new federalism" program's chances of success. It is highly improbable that the states controlled by Democrats, not to mention the local officials who are experiencing serious economic difficulties, will be eager to take on additional obligations (for example, programs for aid to the poor) or relinquish the advantages of incoming funds from Washington.

The comments made about the election results at the latest congress of Republican governors in Kansas City in the middle of November are indicative. A third of the 19 governors who attended the gathering had lost the race. Speakers criticized the President's policy, asserting that "Reaganomics" was the main reason for their defeat in the gubernatorial elections. The excessive growth of military expenditures, the unprecedented scales of unemployment and the infringement of women's rights are the results, according to the Republican governors, of administration economic policy.

While the Republican governors were meeting in New York, the mayors of the 15 largest American cities gathered for a conference, at which time the Reagan Administration's economic policy was subjected to more criticism. Participants in this meeting, chaired by Mayor C. Young of Detroit, who is now the head of the U.S. Conference of Mayors, worked out a program in conjunction with representatives of labor unions and part of the business community for a rise in employment and the improvement of the infrastructure. The program is to be submitted to the President and the Congress and is based on cuts in military spending and the use of the resulting available funds for social needs. The program envisages a broader system of vocational training and rehabilitation, increased aid to the unemployed, the stimulation of capital investments, the augmentation of housing construction and the renovation of existing housing, the creation of a special financial reconstruction corporation to finance projected improvements in the infrastructure, etc. As C. Young said at the conference, the present economic situation is unparalleled in modern U.S. history, with the obvious exception of the economic crisis of the 1930's. Focusing on the problem of unemployment, the chairman of the U.S. Conference of Mayors stressed in his speech that the unemployed, most of whom are Afro-Americans, are the victims of the crisis in education and the defects in the

system of vocational training and social security. Young pointed out the racist nature of the President's policy on black Americans. It must be said that this kind of pointed criticism of the administration on various levels of government is certainly not a rarity today.

In conclusion, we will mention another important aspect of the midterm elections: the emerging outlines of 1984 campaign prospects. Much has been written about this in the American press. It is a fact that the party controlling the state governors' offices has an indisputable advantage in a presidential election. Underscoring this aspect of the midterm elections, NEWSDAY remarked that "an energetic governor could help to secure the support of voters in his state for his party's candidate."

In any case, there is no question that Ronald Reagan's policy is evoking increasingly fierce opposition on the most diverse levels of government.

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AMERICAN TNC'S BLAMED FOR THIRD-WORLD ENVIRONMENTAL PROBLEMS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 68-77

[Article by V. Yu. Katasonov: "Transnational Corporations vs. Developing Countries: Ecological Aspects"]

[Text] One of the most urgent problems today is the need to preserve the natural conditions for the existence of mankind. This is a global problem, and all countries have to deal with it to some degree. The socialist states have consistently tried to ensure the efficient use of nature and the maintenance of the environment in the interest of all working people. The decisions of the 26th CPSU Congress state precisely that the protection of nature is one of the main goals of the economic and social development of our country.[1] In the imperialist states, however, the monopolies' unrestricted race for profits invariably undermines the natural conditions of societal life. The destruction of the environment has taken on its greatest dimensions in the United States. At the beginning of the 1970's it accounted for 31 percent of all pollution (with 5.5 percent of the world's population and 24.6 percent of its industrial production).[2]

In the late 1970's and early 1980's the world public began to pay more attention to the disruption of the ecological balance in the developing countries. Whereas the most acute ecological problem in the developed capitalist countries is the pollution of the environment with toxic substances, in the developing states the main problem today is the destruction of the land which represents the means of subsistence of most of the population. Soil erosion here is steadily diminishing the fertility of one-fifth of the cultivated land. Substantial losses of farmland are connected with the expansion of deserts (60,000 square kilometers a year), salt-ridden soils (as a result of improper irrigation), the appropriation of land for industrial use, etc. Biological resources are being destroyed: Tropical forests are being cut down, rare species of flora and fauna are being destroyed and fish resources are being depleted. There is a more acute shortage of fresh water, particularly potable water, and urban pollution (primarily organogenic--that is, the pollution of the environment with organic substances--but also technogenic in recent years) is promoting the spread of disease, raising the mortality rate and so forth. All of these processes are already inhibiting socioeconomic development in Asian, African and Latin American countries, which was already acknowledged at

the Stockholm conference on environmental problems (1972). Through the mechanism of economic and ecological contacts, these problems are beginning to affect other countries. They could have even more serious implications in the future.

The socioeconomic aspects of ecological problems in the developing countries have not been discussed sufficiently in scientific literature. Above all, this applies to the important matter of determining the causes of environmental deterioration in this group of countries. Many bourgeois authors are inclined to blame this on the "demographic explosion," the instability of tropical ecological systems and even "the particularly wasteful nature of the native population." Most of these explanations are either false or pertain only to secondary or derivative factors.

The methodological key to the determination of the underlying reasons for the birth and development of ecological problems in the developing countries can be found in Marxist-Leninist conclusions about nature's interaction with society. K. Marx wrote: "In order to produce, people enter into specific types of relations and interact with nature only within the framework of these social relations and contacts."[3] In the developing world the interaction of nature with society is governed by socioeconomic relations in the states of this region and throughout the world capitalist economy, where these states are still the dependent, exploited periphery. This is the main, primary cause of the dangerous processes destroying their natural riches. And since the transnational corporations are the main instrument of neocolonial exploitation and the subordination of developing countries to imperialism, these corporations play the leading role in the birth and exacerbation of many ecological problems in these countries. The corporations bear most of the responsibility for the depletion of their ecological wealth and the destruction of their environment. The progressive exacerbation of environmental problems in the West has made the "ecological colonialism" of transnational corporations an increasingly important element of the total system for the exploitation of developing countries. As speakers noted at the 26th CPSU Congress, the imperialists "are using thousands of ways and methods...to attach these countries to them and to make freer use of their natural wealth."[4]

This article is an examination of the ways in which the TNC's have affected the state of ecological resources[5] in the developing countries. The information used in the article will apply primarily to the activities of American TNC's as the main force of international monopolies.

Direct Effects

The principal way in which TNC's affect the environment consists in their productive activity, which is usually conducted in locations of capital investment. Whereas in 1950 the direct investments of American monopolies in the Asian, African and Latin American countries totaled 5.7 billion dollars, by the beginning of 1982 the figure was already 56.1 billion. In 1977, according to the data of the U.S. Department of Commerce, 1,870 American TNC's, with 7,627 branches, were operating there.[6] Their desire to derive maximum profit--that is, the main factor stimulating their activity--engenders the rapacious

treatment of nature. Furthermore, whereas public pressure in the United States, for example, led to the adoption of standards and laws to restrict the antiecological activities of monopolies, many developing countries have no such restrictions. This is due to the low priority assigned to ecological problems in the policy of these countries, the desire to attract foreign capital for the development of the national economy and so forth. Wherever these restrictions have been introduced, the TNC's with their colossal economic and political strength can ignore standards.

The activities of TNC's have been most destructive to the environment in the "primary" branches of the developing economy (mining, agriculture, forestry and fishing), based on the direct exploitation of natural resources. American monopolies settled here long ago, motivated primarily by the particularly high profit margin due to the favorable climate, cheap labor and the possibility of avoiding all or part of the leasing fees for the use of natural resources, as well as the policy of the U.S. Government. It has encouraged its monopolies to make more intensive use of the natural wealth of other countries, particularly in Asia, Africa and Latin America, first for strategic reasons and then with a view to conservation, for the preservation and conservation of U.S. national resources. In Arkansas and Alabama, for example, bauxite deposits were reserved for "national security" purposes and the American monopolies began the extraction of these resources on a broad scale in Jamaica and Guyana. The passage of U.S. laws to protect forests and to create national parks and huge preserves accelerated the purchase and leasing of forests in South America, Southeast Asia and other regions by American monopolies.

The antiecological nature of the activity of American TNC's can be illustrated vividly with information about lumber companies. The main one, Weyerhaeuser, has investments in 17 countries. It is the world's largest lumber concessionaire. Its lumber concessions in Malaysia, the Philippines, Indonesia and several other countries of Southeast Asia cover several million acres. On the island of Kalimantan (Indonesia) 200 firms have lumber concessions, but 9 U.S. companies control 75 percent of the best areas. A study conducted here in 1977 indicated that not one of them was complying with requirements pertaining to the efficient felling and restoration of forests. According to Western experts, the lumber resources of Southeast Asia will be completely used up by American and other foreign corporations even before their concession agreements expire. What is more, the average term of the agreements is around 20 years, but it takes around 100 years for the regeneration of forests.

The rapacious use of lumber resources by TNC's has also been witnessed in Latin America, especially in the Amazon jungles, where an estimated 45 percent of all world reserves of tropical wood is concentrated and 50 million hectares are already being exploited by TNC's. In Brazil (where most of the tropical wood of the Amazon basin is located), 10 international consortiums were exploiting these resources in the 1970's and were planning to procure a total of 5 million cubic meters of wood. The largest company in this business, the Jari Forestry and Ranching monopoly, owned by New York magnate D. Ludwig, acquired concessions to 1.2 million hectares and has already chopped down most of the forests here.

According to estimates, if the present rate of exploitation continues, the Amazon jungles will no longer exist at the beginning of the 21st century. This is not only depriving the developing countries of wood--their important export commodity and a resource needed for national industry--but is also bringing about several serious, often irreversible changes in the total environment: changes in hydrological conditions and the climate in vast regions, the mass destruction of animals and fish, soil leaching and erosion, the accelerated expansion of deserts and so forth.

The activities of mining monopolies are also having a negative ecological impact on the developing countries. Investments by American TNC's in the extraction of minerals and fuel in the developing world increased from 2.9 billion dollars to 7.8 billion between 1950 and 1979 (in current prices). The physical volume of mining conducted under the direct or indirect control of American, West European and Japanese capital has also increased by several times. The direct result has been the rapid depletion of the richest and most conveniently located deposits. In Namibia the American-English Tsumeb firm has not even concealed its intention to expand production scales for the purpose of "essentially depleting mineral deposits within the next 12-15 years." These plans signify flagrant disregard for UN decisions on the preservation of the inviolability of this country's natural resources until it becomes independent. According to various forecasts, deposits of petroleum, graphite, mica, gypsum and other minerals in the developing countries will be depleted within the next few decades.

The activities of transnational mining corporations are accompanied by the destruction of forests, the devastation of the soil cover by the open-pit mining method, soil erosion, the transformation of whole regions into deserts, a drop in the water table, the pollution of the environment with petroleum and so forth. In Brazil, open-pit mining--the most prevalent method of mining in this country--creates 20 million cubic meters of slag heaps each year. Many years of copper mining in Chile by the American Anaconda and Kennecott copper monopolies have produced areas, stretching many kilometers, which are absolutely incapable of supporting life. This was also the result of the intensive exploitation of sulfur deposits in Mexico by Texas Gulf Sulfur, Pan-American Sulfur, American Sulfur and Freeport Sulfur. Open-pit mining by American and other TNC's in Malaysia, Indonesia and Thailand has destroyed the fertile topsoil on 400,000 hectares.

Petroleum TNC's pose a serious threat to the environment. For example, disregard for ecological requirements in oil drilling conducted under the supervision of American monopolies turned Lake Maracaibo in Venezuela into a dead lake.

The activity of international monopolies in agriculture in the developing countries has increased perceptibly. It is generally based on agrotechnical methods which are not geared sufficiently to local natural and climatic peculiarities. These monopolies organize their production on single-crop plantations, which brings about the exceedingly rapid depletion of the soil and other environmental problems. One is the destruction of forests. The jungles of the Amazon, for example, began to be stripped by American and other TNC's in

the 1970's for the organization of large animal husbandry farms there, intended for the export of meat to the United States and other developed capitalist countries. Foreign experts have noted that the removal of these forests for agricultural purposes will unavoidably create genuine deserts because, according to their estimates, only 0.3 percent of the Amazon basin is suitable for long-term agricultural use.

In the 1970's the perceptible exacerbation of environmental pollution as a result of the development of the processing industry was added to the traditional ecological problems in the developing countries, connected with the development of "primary" branches of the economy. One of the main reasons was the increased activity of TNC's in this industry in the former colonies. In 1981 it accounted for 33.4 percent of all U.S. direct private investments in these countries, as compared to 15.3 percent in 1960, and the sum of these investments rose from 1.7 billion dollars to 19.3 billion between 1960 and 1981. This tendency is related to the aggravation of energy and raw material problems in the United States, which motivated American TNC's to move the branches of the processing industry with the highest energy and material requirements to the developing countries rich in natural resources. Pollution levels are high in the majority of these branches.

The laws passed in the United States in the 1970's to combat the pollution of the atmosphere, hydrosphere and lithosphere necessitated the rapid growth of private conservation expenditures, which represented a sizeable portion of all capital investments in some branches (for example, two-fifths of the total in the pulp and paper industry in certain years). Between 1972 and 1980 the total expenditures of American companies on environmental protection rose from 11 billion dollars to 34 billion (in current prices). Under these conditions, American TNC's had a strong motive to move "dirty" production to the developing countries, where environmental protection laws are either weak or nonexistent. For example, after arsenic levels in production facilities were strictly regulated in the United States, the ASARCO firm, its main producer, announced that compliance with these standards would cost at least 15 million dollars and that arsenic production would be transferred to a company branch in Mexico. Later, in response to the attempts of Mexican authorities to establish ecological controls, the firm executives threatened to move this production to another country.

The U.S. laws on environmental protection gave monopolies the strongest motive to move such "dirty" industries as petroleum refining and the chemical, pulp and paper, asbestos and some other industries. In 1980 the Nicaraguan Institute of Natural Resources discovered that one American chemical monopoly had been dumping from 2 to 4 tons of lead a year into Lake Managua. As a result, the fish in the lake were unfit for human consumption.

In an attempt to reduce their expenditures on environmental protection in the United States and to thereby keep profits from dropping, some American monopolies began the clandestine export of highly toxic waste, the processing and reliable disposal of which cost a great deal, to the developing countries. It recently became common knowledge that some corporations were planning to "export" waste with a high polychlorbiphenol content to Taiwan and South Korea;

others plan to export dangerous substances, formed during the purification of industrial sewage, to Antigua and Colombia; some of the companies operating nuclear power plants hope to dispose of radioactive waste in the developing countries.

Therefore, the antiecological activity of TNC's is growing into an increasingly perceptible impediment in the socioeconomic development of newly liberated states.

Indirect Effects

Even if a young state is able to crowd TNC's partially or completely out of some spheres of production, as part of the world capitalist economy it continues to experience the indirect negative effects of TNC activity on the environment, which spread through the diverse network of world economic ties. It would be extremely difficult to assess this influence in precise quantitative terms. It would be even more difficult to determine the indirect influence of just the American TNC's. We will try to describe the most important aspects of the "non-production" effects of TNC's on the environment of the developing countries in the most general terms.

The most important of these is foreign trade. For many decades American, West European and Japanese monopolies paid next to nothing for the crude minerals, petroleum, agricultural products and wood they took out of Latin America, Asia and Africa and appropriated the huge profits derived from their sale in the developed capitalist countries. Now the TNC's control most of the international capitalist trade. Here are some estimates of the degree of their control in various commercial markets (percentage of total trade in world capitalist market): petroleum--75 percent, bauxite--90-95 percent, copper--85-90 percent, iron ore--90-95 percent, tin--75-80 percent, sugar--85-90 percent, bananas--70-75 percent, cocoa beans--75 percent, and cotton--almost 100 percent. According to UNCTAD data, TNC's account for 85-97 percent of the income derived from the sale of cotton, 94 percent in the case of tobacco, 88 percent in the case of bananas, etc. Under the conditions of the notorious "price scissors," all of this invariably undermines the ecological potential of developing countries. First of all, to maintain earlier import quantities and to equalize the balance of payments, they must augment the physical volume of raw material exports each year, and this will eventually lead to the premature depletion of their natural resources. For example, the 1981 IBRD report acknowledged that these countries had to export around 60 kilograms of tea to acquire 1 ton of fertilizer 10 years ago, but now they must export 125 kilograms; for 1 ton of steel they previously had to sell 1 ton of bananas, but now they already have to sell 2 tons, etc. In the second place, the developing countries have had to use cheaper methods of exploiting their natural resources, and these are generally more harmful to the ecological balance (the violation of elementary standards of land use in agriculture, the mass felling of forests, the failure to reclaim land after open-pit mining and the overexploitation of forests, fish and other biological resources).

Another significant factor is the purchase of "exotic goods" by U.S. companies--wild animals and plants and items made from them--from the Asian, African and Latin American countries. After buying them through their own agents from the local population, these companies then sell them on the American market at

prices hundreds of times as high as the original purchase price. In 1976 the United States exported 400,000 reptiles of various kinds, 200,000 rare fish, 32 million skins and 91 million articles made of wild plants and animals from these countries; in 1977 it imported 450,000 rare birds. Experts have noted that the broad scales of this trade (incidentally, most of it is conducted illegally, in violation of international agreements[7] and national laws) are endangering the existence of hundreds and thousands of species of flora and fauna on our planet.

Furthermore, the single-crop structure imposed by international monopolies on the exports and the entire economy of the developing countries is completely inconsistent with the scientific principles of the comprehensive and balanced use of natural resources. The wasteful and antiecological nature of this economic approach is reflected in virtually all branches of the economy.

For example, the narrow export specialization of the mining industry in the developing countries results in huge losses of the "by-products" which make up the colossal slag heaps in mining regions; casing-head gas is burned in "torches" on oilfields, etc. In forestry, the export of only one or two types of wood leads to the destruction of so-called "noncommercial" types during the clearing of forests. Specialization in a single agricultural crop came into being under the influence of such monopolies as Standard Fruit, General Foods, United Brands, Del Monte-Reynolds and the British-American Tobacco Company; in all, around 90 American TNC's. The narrow agricultural specialization which they have imposed on the developing countries for decades accelerates soil depletion, ruins the physical and chemical structure of soil, causes erosion, lowers the resistance of crops to pests, diseases and drought, etc. Large areas in Mexico, El Salvador, Honduras and other countries, which were once taken up by plantations of cotton for export to the United States, quickly became unsuitable for agriculture. American researcher L. Juda admits that the orientation of the exports of developing countries to American TNC's and the U.S. market "contributed to the erosion of the soil and the excessive exploitation of agricultural and mineral resources, and this endangered the environment in rural regions."

The antiecological nature of industrialization in the developing countries, connected largely with the transfer of particularly "dirty" types of production to these countries by Western monopolies, is compounded by the need to acquire the required technology from the same TNC's. These corporations try to sell the developing countries the "dirty" technology which was developed before ecological standards were adopted in the West, and to thereby recoup the manufacturing costs of this equipment. What is more, the technology sold to the developing countries (even when it is new) is not geared to their natural and climatic peculiarities, and this has already had a negative ecological impact in several cases. In particular, there has been no consideration for the fact that most of these countries are in a zone of heightened seismic activity and that an earthquake here could cause radioactive leaks from nuclear power plants. At the beginning of 1982 the first section of the Angra-1 nuclear power plant, built by the American Westinghouse firm, began operating in Brazil. Many Brazilians are quite worried about this plant because the reactor here is the same type as the one in the Robert Ginna plant in New York, which

was emitting radioactive steam in January of that year. Similar problems have been encountered in reactors installed by the same company in Sweden and Spain. The Brazilian press remarked that the risk of radioactive leaks from Angra-1 was heightened by the inadequate training of local personnel. Errors were also discovered in the construction of the plant foundation.

Even when the world capitalist market does have the right technology for young states to avert or neutralize the negative ecological effects of industrialization, they are often unable to afford it. To a considerable extent, the TNC's are to blame for this as well. Each year tens of billions of dollars flow out of these countries and into the United States as a result of unequal commodity exchange, as well as in the form of interest on private bank loans, profits, etc. Between 1970 and 1978 alone, American TNC's took 39.7 billion dollars in profit out of the developing countries, which was 4.5 times as great as the amount of new U.S. capital entering these countries.

The TNC's have also promoted the spread of antiecological behavior among the local population. As the main factor in the preservation and development of poverty and destitution in the newly liberated states, the TNC's are encouraging the populations of these countries to use nature inefficiently or even to destroy it in their struggle for survival. For example, the overwhelming majority of local inhabitants (estimates put the figure at over 1.5 billion people) chop down trees for wood to fill their fuel requirements because oil, coal and electricity are expensive and inaccessible to them. According to FAO data, the developing countries are already using 1.3 billion cubic meters of wood a year.

These and other statistics are used by bourgeois authors as proof that the economically underdeveloped countries themselves, and not the TNC's, are to blame for all of their current problems. For example, Canadian researcher D. Surgen declared: "The world's tropical forests are disappearing at an alarming rate, and we cannot put all of the blame for this on multinational corporations.... Oddly enough, the culprits are some of the poorest strata of the world population." Of course, statements like these are far from the truth. They are designed to deflect the heat of criticism away from international monopolies, which are directly and indirectly--through the mechanism of international economic contacts--having a serious impact on the use of natural resources in the developing countries and are energetically contributing to the destruction of their natural wealth.

Opposition to 'Ecological Colonialism'

Under these conditions, the governments of the developing countries have had to take certain measures to solve their most pressing ecological problems, but these measures have been carried out on an extremely inadequate scale to date. There is increasing awareness, however, of the need for a long-range, comprehensive strategy of conservation on the national and international levels. The development of a conservation strategy actually began at the Stockholm conference on the environment; the process is now being continued within the UN Environment Programme (UNEP), the International Environmental Protection Union, UN regional economic commissions and other international organizations.

The United States and other imperialist states tried from the very beginning to control the engineering of this strategy. This was precisely the purpose of the congressional decision that the United States would assume most of the responsibility (two-fifths) of UNEP funding. Under the influence of the West, early UNEP documents were filled with "demographic," "technological," "natural-geographic," "cultural-ethnic" and other bourgeois definitions of the underlying causes of ecological problems in the developing countries. Gradually, however, the young states began to work out their own position on the matter. In statements by their spokesmen in UNEP and at numerous international conferences, the degradation of nature in these countries was directly related to their subordinate position in the world capitalist economy. The heat of criticism began to be directed more and more at the TNC's and the imperialist governments supporting them. It was under these conditions that an international document of an advisory nature, "World Conservation Strategy," was drawn up and was put in effect in March 1980. To a considerable extent, the document had an anti-imperialist thrust. Under the influence of the United States and other Western powers, however, many of the critical statements about TNC's were excluded from its earliest drafts. After the document had been published, several countries (India, Malaysia, Senegal, Kenya and others) announced the formulation of "national conservation strategies."

Now most of the newly liberated states realize that the protection and efficient use of national natural resources can be made possible only by their effective protection from international monopolies--that is, by the establishment of real, and not simply formal, sovereignty over them. But their economic weakness and the strength of the TNC's, particularly the American ones, have seriously restricted the ability of the developing countries to exercise their sovereign right to national natural resources and to ensure their intelligent and efficient use.

The developing countries are not receiving adequate compensation for the exploitation of their natural resources by monopolies operating in the "primary" branches. As for the processing industry, the TNC's are still using such resources as air and water for free and have engaged in the unrestricted pollution of air and water with their production waste. The young states want to raise the fees monopolies must pay for the use of land, forests and mineral resources and to charge TNC's which pollute the environment a special "ecological fee."

But even when these fees are used by national governments for conservation work, they do not always guarantee the preservation and normal reproduction of natural resources. This is why the antiecological activity of TNC's must be limited with the aid of various administrative and legislative measures. Conservation laws and standards have already been adopted in Mexico, Brazil, the Philippines, India, Malaysia, Argentina and some other countries. In several cases, these measures have restricted the transfer of "dirty" production to these countries.

Experience has shown that even the nationalization of TNC enterprises in the developing countries does not guarantee real sovereignty over natural resources

and the organization of the efficient use of natural resources on this basis. As Soviet researcher R. Simonyan wrote, "although there is no question that the TNC's have less direct control over the raw material output...they still have strong leverage of a technological, monetary and commercial nature."

This suggests that the problem can only be solved completely if the entire system of economic relations between the young states and the West is reorganized. The realization of this need at the end of the 1970's led to the close coordination of efforts to plan and carry out a conservation strategy with the struggle to establish a new international economic order (NIEO).

During the course of the gradual "ecologization" of the NIEO program, several demands were made, particularly with regard to special assistance from the West for the protection of the environment in the economically underdeveloped countries. This kind of assistance is supposed to represent a form of payment for the earlier excessive pollution of our planet by Western monopolies, particularly American ones. The West has also been asked to pay "ecological reparations"--compensation for the appropriation of the natural wealth of the former colonies by international monopolies for many decades. The question of fair prices for the natural resources exported by developing countries acquired new meaning in the context of their ecological demands. Several UNCTAD documents stressed that these prices will have to be set with a view to the cost of the restoration and reproduction of exploited resources. Some countries expressed the hope that ecological factors would also be taken into account in the "code of behavior" being worked out now for international monopolies by the UN Commission on Transnational Corporations.

But the NIEO program has been fiercely resisted by imperialist states, especially the United States,[8] which have opposed the ecological demands that have essentially become part of the NIEO program. The struggle between Washington and the developing countries became most heated when sovereignty over natural resources was discussed. Representatives of the United States in UNEP, UNCTAD and other international organizations have insisted that they be declared "the common heritage of all mankind." This position is supposed to ensure the unimpeded exploitation of the natural resources of developing countries by American TNC's. In defense of this overtly imperialist concept, U.S. spokesmen in UNEP tried to reinforce it with the following "arguments": The "economically backward" countries are allegedly incapable of using their own natural resources efficiently, and this only within the power of American TNC's with their strong scientific, technical and financial potential. Some U.S. politicians have even gone so far as to demand economic and political sanctions against some Asian, African and Latin American countries on the "grounds" that the latter are allegedly engaged in the "rapacious exploitation of the common heritage." These "arguments" signify an unconcealed threat to interfere in the internal affairs of developing countries.

The "ecological accusations" leveled at other states by the United States sound all the more hypocritical in view of the fact that the American administration has still not taken any effective measures to limit the antiecological activity of its TNC's abroad, although this question has been raised more than once in the Congress. At the end of the 1970's some ecological standards and

rules were drawn up to regulate U.S. foreign economic activity. Due to monopoly opposition, however, these standards were not extended to the private sector and applied only to a few federal agencies.

In an attempt to mitigate the criticism of U.S. antiecological activity in the developing countries, Washington promised to give them special assistance in the protection and efficient use of natural resources. Their need for this kind of assistance was determined by an international environmental affairs committee (with representatives from 12 departments and federal agencies) and by a presidential task force established in 1980 to investigate global resources and environmental problems. But the scales of this assistance turned out to be quite limited: According to various estimates, these allocations ranged from a few million to a few tens of millions of dollars a year in the 1970's, which could only compensate for a negligible portion of the colossal injuries inflicted on nature by American TNC's.

The ecological problems of the developing countries have been openly ignored since the start of the Reagan Administration. Bilateral "ecological aid" has virtually ceased to exist. When the U.S. Government learned that it could not turn UNEP into an instrument of its own political influence, it announced sharp cuts in its contributions to this organization.

The current administration's curtailment of cooperation with other states in environmental matters, its refusal to sign the international convention on the law of the sea and other actions could also have a negative effect on the state of the environment in various parts of the world, particularly the developing countries. It is interesting that these actions by the Reagan Administration have been criticized even by many U.S. officials. For example, D. Bonker, chairman of the Subcommittee on Human Rights and International Organizations of the House Committee on Foreign Affairs, sent a letter of protest to E. Abrams, assistant secretary of state for international organization affairs. He expressed his serious concern that the United States' renunciation of its obligations in the sphere of international conservation activity could have a negative effect on its relations with other states, including the developing countries.

The Reagan Administration's plans to curtail conservation activity within the country could also have dangerous international implications. Canada and Mexico, for example, have already suffered for decades from the antiecological behavior of American monopolies on U.S. territory. In the late 1970's and early 1980's, "acid rain," polluted sewage, radioactive waste and other toxic substances from the United States were already entering these two states in dangerous quantities. The relaxation of ecological standards for American monopolies and cuts in federal allocations for national conservation programs will unavoidably increase the transmission of dangerous industrial waste over the land and sea borders of the United States, and this could eventually cause the deterioration of the global ecological situation.

The policy of the Republican administration, which preaches the ideals of "free enterprise," by which it means freedom for monopolies, is actually aimed at the maximum stimulation of TNC expansion in the developing countries. The

question of the ecological regulation of their activity abroad has not even been raised. What is more, some government officials want to facilitate the fulfillment of conservation standards in the United States by encouraging monopolies to export toxic production waste and ecologically dangerous goods to the developing countries. A government memorandum of 10 May 1982, prepared by the State Department and the Department of Commerce, said that lifting restrictions on "dirty exports" to the developing countries would "strengthen the position of American companies in international markets" and "lighten the regulating burden for firms."

The massive augmentation of the production of weapons of mass destruction--nuclear, chemical, biological and so forth--by American military monopolies, planned for the 1980's, could pose the most serious threat to nature throughout the world.

Under the conditions of the increasing ecological and resource interdependence of countries and peoples, the need for concerted effort by all states in the protection of the planet's natural resources is growing increasingly urgent. Preserving nature in the newly liberated states, where most of the earth's natural resources are located, will be the most important part of this activity. The rapacious destruction of the natural wealth of these countries would inflict irreparable damage on their people and eventually on all mankind.

The USSR and other socialist countries are energetically assisting the newly liberated states in the protection of their natural wealth against encroachment by international monopolies and in the organization of the efficient use of resources. In the United Nations the Soviet Union has supported the developing countries' just demands for a new international economic order and for real sovereignty over national natural resources, has helped these countries in UNEP and has offered financial and technical assistance in the protection and efficient use of nature. On the initiative of the USSR, a resolution "on the historical responsibility of states for the preservation of nature for present and future generations" was adopted at the 36th Session of the UN General Assembly in 1981. The appeal in this document for joint steps to maintain the ecological balance on the planet was actually addressed primarily to the United States, whose monopolies are gravely endangering nature. Washington's refusal to implement these proposals would severely complicate the resolution of ecological problems throughout the world, particularly in the developing countries.

FOOTNOTES

1. "Materialy XXVI s"yezda KPSS' [Materials of the 26th CPSU Congress], Moscow, 1981, p 143.

2. For more detail, see V. I. Sokolov, "Amerikanskiy kapitalizm i problema okhrany okruzhayushchey sredy" [American Capitalism and the Problem of Environmental Protection], Moscow, 1979.

3. K. Marx and F. Engels, "Works," vol 6, p 441.

4. "Materialy XXVI s"yezda KPSS," p 14.

5. This term is used in the article to denote all types of natural resources with the exception of minerals. Ecological resources differ from mineral resources in a number of significant ways: These are resources which can be reproduced and which serve simultaneously as objects of labor and general conditions for the existence of mankind (the environment).

 The influence of TNC's on the state of mineral resources in the developing countries has already been examined in several works: "Syr'yevoy krizis sovremennogo kapitalizma (mirokhozyaystvennyye aspekty)" [The Raw Material Crisis of Present-Day Capitalism (World Economic Aspects)], Moscow, 1980; A. A. Arbatov and A. F. Shakay, "Obostreniye syr'yevoy problemy i mezhudarodnyye otnosheniya" [The Increasing Severity of the Raw Material Crisis and International Relations], Moscow, 1981.

6. The main foreign sources used in the preparation of this article were the following: official U.S. statistics--"Survey of Current Business, 1981-1982." American government publications--"The Global 2000 Report to the President: Entering the Twenty-First Century," vol 1 (summary report), Council on Environmental Quality, U.S. Department of State, Wash., 1980; "Environmental Quality. The 11th Annual Report of the Council on Environmental Quality," Wash., 1980; "Environmental and Natural Resources Management in the Developing Countries. A Report to Congress," United States Agency for International Development, Department of State, Wash., 1979; "Participation of the United States in the United Nations Environment Programme. Hearings Before the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs, House of Representatives, 93d Congress, 1st Session," Wash., 1973; "Nuclear Exports: International Safety and Environmental Issues. Hearings Before the Subcommittee on International Economic Policy, House of Representatives, 96th Congress," Wash., 1980. Monographs--C. Pearson and A. Pryor, "North and South: An Economic Interpretation," New York-Chichester-Brisbane-Toronto, 1978; "The Global Predicament. Ecological Perspectives on World Order," Chapel Hill (N.C.), 1979; T. Gladwin, "Environment Planning and the Multinational Corporations," Greenwich (Conn.), 1977; E. Eckholm, "Planting for the Future. Forestry for Human Needs" (WORLDWATCH PAPER, No 26), Wash., 1979; R. Stein and B. Johnson, "Banking on the Biosphere?" Lexington-Toronto, 1979. Periodicals--SCIENTIFIC AMERICAN, ENVIRONMENT, ECOLOGIST, AMBIO, CTC REPORTER, SCIENCE, NATURE, MAZINGIRA, UNITERRA and DEVELOPMENT FORUM for 1977-1982. International publications--"The State of the Environment in OECD," OECD, Paris, 1979; "World Conservation Strategy: Living Resource Conservation for Sustainable Development," International Union for the Conservation of Nature and Natural Resources, Morges, Switzerland, 1980; "United Nations Environment Programme. Annual Report by the Executive Director," Nairobi, Kenya (1974-1982).

7. Primarily in violation of the 1973 international convention on trade in rare species of flora and fauna.

8. A. V. Nikiforov, "Washington and the New International Economic Order," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1982, No 1--Editor's note.

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OPPOSITION SEEN TO REAGAN ARMS-EXPORT POLICY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 78-81

[Article by A. D. Portnyagin: "Debates Over Arms-Export Policy"]

[Text] The arms-export policy of the Reagan Administration was the subject of extremely heated debates in the 97th Congress. "U.S. foreign policy rests on a single strategic factor--the sale of weapons--more under the Reagan Administration than at any other time in American history," stated Senator W. Proxmire (Democrat, Wisconsin). In his opinion, the "intellectual poverty" of American foreign policy has resulted in the assignment of greater importance to this factor than to "diplomatic efforts, arms control and plans for economic development."[1] Furthermore, as Senator J. Biden (Democrat, Delaware) commented during the debates, "the sale of weapons is becoming almost the only criterion of U.S. contacts with foreign countries."[2]

Declining to display even the pretense of attempts to limit the sale of arms, the current American administration completely rejected all of the points in the previous administration's "program of restraint."[3] When State Department Counselor J. Buckley addressed the Senate Foreign Relations Committee, he said: "The sale of arms will play the principal role in our foreign policymaking."[4]

Indicative features of current U.S. military-export policy were revealed in the discussion of the Reagan Administration's military programs and in several congressional publications. The most dangerous of these features is the constant growth of arms-export volumes (see table). According to preliminary estimates, they reached the record level of 25 billion dollars in fiscal year 1982, which ended on 30 September.

A second feature, which prevailed in the 1970's and is still the main characteristic in the 1980's, is the export of the most advanced types of offensive weapons, including the F-4, F-14, F-15, F-16 and other combat planes, surface-to-air and air-to-air missiles, tanks, destroyers and even the costly AWACS planes.

American arms-export policy is also distinguished by the sale of the lethal American products to the most reactionary, repressive regimes.

U.S. Arms Exports, 1950-1983, thousands of dollars

Fiscal years	Government sales***	Government aid****	Commercial sales*****	Total
1950-1970	12,934,354	39,451,175	no data	--
1971	1,390,361	3,050,254	427,545	4,868,160
1972	2,950,017	3,473,457	480,625	6,904,099
1973	4,847,920	4,209,103	362,076	9,419,099
1974	10,343,461	1,526.506	502,166	12,372,133
1975	16,053,447	1,047,487	546,551	17,647,485
1976	14,673,701	263,949	1,401,999	16,339,649
1977	8,304,674	241,169	1,523,403	10,069,246
1978	11,038,575	218,535	1,676,007	12,933,117
1979	13,013,516	225,146	1,526,992	14,765,654
1980	15,276,995	299,600	1,769,838	17,346,433
1981	8,525,490	170,400	2,064,274	10,760,164
1982*	25,000,000	269,212	no data	--
1983**	15,000,000	92,900	no data	--

* Estimate.

** Proposed by Reagan Administration.

*** Government sales are conducted according to intergovernmental agreements concluded within the framework of the overseas military sales program, a part of the military assistance program.

**** Nonrefundable government aid refers to the military goods and services offered to other countries for free by the U.S. Government as part of the military assistance program.

***** Commercial sales are conducted by American corporations with federal export licenses.

CONGRESSIONAL QUARTERLY WEEKLY REPORT, 3 April 1982, p 721.

The pointed criticism heard in the Congress regarding the Reagan Administration's decision to give military assistance to the reactionary regimes of El Salvador and Guatemala is of interest in this connection. As Senator P. Tsongas (Democrat, Massachusetts) said, "wherever we run into unpleasant situations, the assumption is that only another F-16 can save us."[5]

The export of weapons is another channel of the arms race which is increasing international tension in various parts of the world. As the world's largest exporter of weapons, the United States is ahead of its closest allies and rivals in terms of military deliveries to the developing countries in approximately the following ratios: France--2:1, West Germany--6:1, Great Britain--9:1, Italy--11:1.[6] What is more, by the beginning of the 1980's the main buyers of American military equipment, according to a report submitted to the Committee on Foreign Affairs of the U.S. Congress, were the countries of the Middle East and South Asia (over a decade they imported 57.1 billion dollars' worth of weapons from the United States), including 30 billion dollars' worth of purchases for Saudi Arabia, 14 billion for Iran, 8.5 billion for Israel and

1.6 billion for Egypt. Western Europe and Canada, which purchased 17.2 billion dollars' worth of American weapons in the 1970, ranked second, and the third place was occupied by the countries of East Asia and the Pacific (8.5 billion dollars), including 2.24 billion for South Korea and 1.99 billion for Taiwan. The Latin American countries (969.1 million) and African states (696.6 million) came next.[7]

The Reagan Administration's approach to arms-sale policy has acquired some new features. In particular, the White House initiated the creation of a special fund for advance payment for weapons designated for export. The present U.S. leadership has authorized the creation of enterprises for the joint production of weapons in the countries that are American clients. It has endowed American diplomatic representatives in other countries with sweeping powers to serve as middlemen in the conclusion of agreements between U.S. military corporations and local regimes.

The Reagan Administration completely rejected the point in the previous administration's program which envisaged a ban on the "development or substantial modification of modern weapon systems designated exclusively for export." This applied above all to the development of the new combat plane known as the FX. The present U.S. leadership, as the abovementioned J. Buckley said in Congress, "intends to continue supporting the idea of developing an FX plane for export."[8]

To justify the considerable expansion of weapon sales, U.S. ruling circles have spread false rumors about the alleged mounting threat to their national interests and to the independence of their allies and friends. What is more, the hackneyed myth of the "Soviet threat" is the main "argument" employed to justify larger weapon sales, especially in the Near and Middle East. A high-level State Department official who explained the arms-export policy of the Reagan Administration to the American Congress distorted the facts and asserted that this threat is hanging over the petroleum-exporting countries in the Persian Gulf zone and over the Red Sea, North Africa, Southeast Asia, Central America and other regions.

Nevertheless, legislators noted in their speeches that the Reagan Administration is deliberately proceeding from the false premise of an existing threat to American interests in order to sell weapons on a broad scale. Senator G. Mitchell (Democrat, Maine) said that the current administration is examining even the problem of Middle East regulation through the prism of U.S.-Soviet rivalry and makes decisions on weapon deliveries to these explosive regions "with a view to disagreements between East and West, between the United States and the USSR." In his opinion, U.S. oil interests in the Middle East have been "dangerously exaggerated" because the United States' own resources cover 60-65 percent of its need for petroleum while Middle East sources cover only 16 percent.[9]

The statement made before the Senate Foreign Relations Committee by Chairman W. Edgington of the international committee of the National Security Industrial Association of Executives was in sharp contrast to the generally critical tone of the debates. He demagogically alleged that "the sale of military products

abroad promotes higher employment within the nation, the maintenance of a reliable industrial base, a better balance of payments, an increase in the extra profits needed for the accumulation of fixed capital and for technological development, a better investment climate, lower overhead costs per unit of product for the Defense Department and more favorable conditions for broader commercial contacts with the states buying military goods and services."[10]

Some American legislators argued against this approach on the correct assumption that it would help to create favorable conditions for the enrichment of large military monopolies, which regard the arms race primarily as a source of huge profits and disregard the threat it poses to world peace. The concern aroused by the arms race could be heard in a statement by W. Proxmire, who believes that the sale of arms will ultimately "heighten the probability of war to the maximum" and "increase tension" between states.[11]

The senator refuted the idea that problems arising between East and West could be solved through a more intense arms race in various parts of the world. "By resorting to the use of such rationalizations as 'This business has a favorable effect on our balance of payments' or 'If we do not sell weapons, someone else will,'" he said, "weapon merchants and the people in government who support them are turning the entire world into a huge armed camp."[12]

The senator advocated talks aimed at curbing the international arms trade in the belief that an "international agreement prohibiting the sale of weapons in some parts of the world or at least the sale of weapons with a specific degree of complexity" would be an important advance. According to W. Proxmire, the administration policy of expanding arms exports is having a particularly deleterious effect on the economy of the developing countries which are the main buyers of American arms: "The sale of weapons complicates economic development and lowers the standard of living in the developing countries."[13]

Congressman C. Long (Democrat, Maryland) underscored the fact that the acquisition of military equipment and weapons will ruin these countries even more and said: "Instead of helping them carry out development programs...we are getting ready to sell them even more weapons." It is a shame, in his opinion, that so many U.S. firms are "profiting from the poverty of the poorest people in the world."[14]

Senators M. Hatfield (Republican, Oregon) and D. Moynihan (Democrat, New York) stressed the fact that American arms-export policy is escalating the arms race in the developing world. In particular, M. Hatfield remarked that the large American-Pakistani transaction had posed the gloomy prospect of "an endlessly rising arms race spiral on the Indian subcontinent."[15] After pointing out the dangerous situation taking shape in Indo-Pakistani relations, the senators introduced a resolution condemning the sale of arms to Pakistan.

Therefore, the statements in Congress demonstrated once again the defective nature of the Reagan Administration's arms-export policy, which is aimed at attaining the global imperialist goals of the United States, is serving the interests of the largest military monopolies and is undermining security in various parts of the world.

The debates also showed that congressmen who criticize administration policy do not take a completely consistent stand. For example, the means of countering this policy include the legislative veto, to which Congress resorted in 1974 (at that time both houses established control over administration arms-export policy by prohibiting the export of large arms shipments). In recent years, however, the American legislators have generally approved all administration transactions in the sale of arms.

The debates in the American Congress over U.S. arms-export policy are still going on. They testify that the efforts to militarize foreign policy do not have unconditional support on Capitol Hill. The Reagan Administration's policy on arms exports is arousing increasing concern in the Congress and is giving rise to several serious problems, including problems connected with the Soviet-American talks on the limitation of the arms trade, which were unilaterally cut off by Washington, relations with developing states, the position of the United States in crises in various parts of the world, and so forth. Washington's dangerous arms-trade policy reflects the selfish interests of members of the U.S. ruling elite, who regard it as an important instrument of foreign policy expansion by American imperialism.

FOOTNOTES

1. CONGRESSIONAL RECORD, 6 November 1981, p S13079.
2. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 3 April 1982, p 722.
3. A. V. Kozyrev, "'New' U.S. Arms-Export Policy--A Threat to International Security," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1981, No 12--Editor's note.
4. DEPARTMENT OF STATE BULLETIN, September 1981, p 63.
5. TIME, 26 October 1981, p 23.
6. CONGRESSIONAL RECORD, 6 November 1981, p S13080.
7. "Soviet Policy and U.S. Response in the Third World," Report Prepared for the Committee on Foreign Affairs, House of Representatives, Wash., 1981, p 210.
8. DEPARTMENT OF STATE BULLETIN, September 1981, p 63.
9. CONGRESSIONAL RECORD, 28 October 1981, p S12390.
10. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 3 April 1982, p 724.
11. CONGRESSIONAL RECORD, 6 November 1981, p S13081.
12. TIME, 26 October 1981, p 27.

13. CONGRESSIONAL RECORD, 6 November 1981, p S13081.

14. "Foreign Assistance and Related Programs Appropriations for 1982," pt 2, Hearings Before a Subcommittee on Appropriations, House of Representatives, Wash., 1981, pp 188-189.

15. CONGRESSIONAL RECORD, 12 November 1981, pp S13314-13315.

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'NEW RIGHT' ATTITUDES, LEADERS, CAMPAIGN ACTIVITIES DESCRIBED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 100-109

[Article by S. T. Kolesnichenko: "The 'New Right': Tactics and Strategy"*]

[Text] An important feature of the midterm elections to the U.S. Congress in November 1982 was the defeat suffered by rightist forces, including the so-called New Right.

The influential American newspaper, THE CHRISTIAN SCIENCE MONITOR, had this to say about the defeat: "It is indicative that the National Conservative Political Action Committee (one of the New Right's main organizations--S. K.), despite colossal expenditures...was unable to achieve the election defeat of the pillars of the Democratic Party and moderate Republicans it had chosen as its targets, such as Paul Sarbanes, Quentin Burdick, Lowell Weicker and Robert Stafford. The New Right is not at all the political force it seemed to be in the 1980 elections."[1] The defeat suffered by the New Right becomes even more evident if we consider that only 1 of the 34 senators and congressmen "marked for failure" by the NCPAC, Senator H. Cannon from Nevada, failed to be re-elected.

The results of the activities of another New Right organization, the Congressional Club, which was founded by Republican Senator J. Helms, were no better. In spite of the huge sums it spent, only 1 of the 14 candidates it supported for the House of Representatives was elected. Not one of the four candidates it supported for the Senate won the race.

Judging by all indications, the New Right's influence in U.S. domestic politics is much weaker than it was in 1980.

Nevertheless, the increased influence of the New Right in recent years was probably one of the most noteworthy events in U.S. politics. Attempts have been made in numerous books, publications, newspapers and magazines to analyze and define the role and significance of the New Right.

* For more about the growing influence of conservative forces in the United States, see the articles in our magazine by S. M. Plekhanov (1979, No 12), A. Yu. Mel'vil' (1978, No 11; 1981, No 10) and D. Ye. Furman (1981, No 4).

The term "New Right" was first used by Kevin Phillips, the well-known American political scientist, in 1975 in an article discussing the "New Right complex." The author wanted to distinguish this coalition from older conservative groups.

Although the New Right movement actually started during G. Wallace's presidential campaign in 1968, it did not grow strong until the 1970's. One of the New Right's leaders, R. Viguerie, maintains that the movement took shape in 1974.[2] That was the year that President R. Nixon resigned as a result of the Watergate scandal. His successor was Gerald Ford, and the vice president was Nelson Rockefeller, a Republican reputed to be a "liberal." This was fiercely protested by conservative Republicans. They tried to prevent the approval of Rockefeller's appointment; when they were unable to do this, a group of Republicans on the extreme Right, headed by Viguerie, decided to concentrate on "turning conservatism into an independent force" with a considerable impact on Republican Party policy. The New Right wanted to seize control over the party or, in the event of a failure, to organize a new party in order to "overthrow the liberal establishment and take charge."[3]

It was around that time, in the middle of the 1970's, that policy differences became apparent in the programs of the "old" or "orthodox" conservatives and the group headed by Viguerie (including H. Phillips' Conservative Caucus, T. Dolan's NCPAC, P. Weyrich's Committee for the Survival of a Free Congress, V. Jenkins' American Council for Legislative Exchange, Viguerie's own CONSERVATIVE DIGEST and others). This group believed it was essential to appeal to the broad voting masses. Furthermore, these appeals would deal primarily with social problems (for the "right to life," against gun control, against pornography and sexual aberrations, for the restoration of "traditional American values" and so forth).

Orthodox conservatives preferred to concentrate on such issues as, for example, a balanced budget. These definite differences of opinion quickly and unavoidably led to differences in behavior. Viguerie and his followers, who were already being called the New Right by then, decided to unite and institutionalize a new coalition of "social" and "economic" conservatives, while orthodox conservatives preferred to act within the Republican Party framework.

According to the New Right's interpretation, social conservatives should be called opponents of "social engineering." R. Whitaker defined this term: "Social engineering is the mass manipulation of the structure and values of society in order to bring about the 'social changes' deemed necessary by a small elite (liberal Democrats—S. K.). Through the use of the appropriate programs, this elite is striving to bring about racial harmony and 'progressive education,' to discredit traditional values and parental authority and to impose a new ideology and morality on society."[4]

The overwhelming majority of social conservatives, according to the New Right, are "middle-class" Americans. They include people who have left the Democratic Party, white southerners and some "blue-collar" workers. In the past, when economic and social issues were the focus of debates between the Democratic and Republican Parties, they voted for F. Roosevelt, H. Truman and J. Kennedy.

When the Democrats became the party of "social engineering," however, these voters were increasingly likely to either support Republican candidates or stop voting.

Attempts to combine reactionary ideology with populist rhetoric are characteristic of the New Right. It has tried to win mass support by appealing to the so-called "Roosevelt coalition," which took shape in the 1930's and has traditionally supported the Democratic Party. This coalition included the middle strata of the U.S. population, ethnic minorities and blacks.

At the basis of the disillusionment of the broad masses with the Democratic Party lies its inability to deal with the problems the United States encountered in the 1970's. The economic crises, the energy crisis, the growth of unemployment accompanied by galloping inflation and, as a result, the decline of the standard of living all made the average American doubt the capabilities of state economic regulation--that is, the economic policy which had once brought the Democrats to power and had made them popular.

Widely publicized social programs were one of the factors securing the Democrats the support of such groups of voters as organized labor, the poorest population strata, blacks and ethnic minorities. However, the sharp deterioration of economic conditions in the 1970's and the huge expense of the arms race raised taxes (which absorb up to one-third of the population's income). What is more, the middle strata pay more taxes than other substrata of American society. This has caused the middle strata to grow deeply disillusioned with liberal social and economic policy and has created a favorable atmosphere for the social demagogy of the New Right.

It was precisely the members of the "middle class," whose values, moral and political standards, disillusionment, fears and hopes the New Right is striving to express, that renowned American sociologist D. Warren called "middle American radicals." He wrote: "The middle American radicals represent an alienated group because they believe that government is good for the rich and the poor.... They believe that the middle class has been seriously neglected. If there were one single generalization expressing the views of the radical American center, it would be: 'The rich give in to the demands of the poor, and the middle Americans have to pay the bill.'"[5]

The New Right was quick to sense the mood of the "middle class," which had become an influential political force in the United States as a result of structural social changes, and resolved to lead the "middle American radicals." With their assistance, it is preparing to "replace the current elite, dismantle its machinery of authority and discredit its political ideology,"[6] in the words of S. Francis, one of the New Right's prominent leaders.

The New Right resolved to create a special organization with its own strategy and tactics and to infiltrate the broad masses. This is what distinguishes it from orthodox conservatives and neoconservatives, who have confined their activity to the Republican Party framework. Although the New Right has not formed its own party as yet, it is already striving to influence the elections to the U.S. Congress, and even the presidential elections, to the maximum.

In A. Crawford's recently published book about the New Right, "Thunder on the Right," this movement is defined as an "institutionalized, disciplined, well-financed political network which concentrates on one specific problematic issue and skillfully manages the sharply increased power of political action committees. Its leadership, primarily white and middle class, uses its power to influence election results, to veto bills and to organize referendums."[7] The New Right stands for the limitation of the federal government's power, against governmental economic regulation and for a "strong national defense." As Crawford says, it "has created a populism for the 1980's by organizing those who are dissatisfied, disillusioned and displeased with the upper class."[8]

A more complete understanding of the New Right ideology can be gained from the fact that this movement has taken a position virtually identical to that of the ultraconservative John Birch Society. The main difference between them, according to the American press, is that whereas the John Birch Society and the "old Right" are still obsessed with the idea of a "worldwide communist conspiracy" aimed at the "gradual conquest of America," the New Right is "more practical" and sees the "elitist Eastern liberal establishment" as an enemy.[9] Of course, communism, the USSR, the entire socialist community and the movement for independence in the developing countries still constitute the New Right's chief enemy. The actual struggle against this entire "anti-American world," however, will first necessitate the election of the New Right's proteges.

The New Right wants an even more expansionist and aggressive foreign policy. The abovementioned Francis wrote: "The foreign policy of the New Right...is inclined to support nationalism, which certainly presupposes the military and economic superiority of the United States, foreign political involvement (and even expansionism) in world affairs, at least minimal protectionist measures to defend domestic enterprise and much more active opposition to the arrogance, aggression and barbarity of the Third World."[10] The New Right's chauvinistic aims, in Francis' opinion, should take the place of the elementary anti-communism of the "old" Right as the focal point of U.S. foreign policy: "Although the Soviet Union, Cuba and their supporters are still the source of the principal threat to the United States and its dominant position, the New Right is more likely to concentrate on the threat itself than on its ideological roots."[11]

This difference between the approaches of the "old" and "new" Right to foreign policy issues was clearly demonstrated, for example, when the Panama Canal issue was being debated. Whereas the old conservatives rejected Panama's legitimate demands as underhanded plotting by its leaders, labeling them "Marxists," Ronald Reagan armed himself with a New Right slogan: "We built the canal, we paid for it, and it is ours!"[12]

When we try to define the central strategy of the New Right, we should note that it is based on the following premises: The two-party system is inefficient; the federal government is isolated from the people and does not listen to prevailing public opinion; a new "conservative coalition," made up of Democrats, Republicans and independents, is needed to replace the existing

"governing elite." Its goal is the restoration of "fiscal responsibility," "military defense potential" and a culture "with the emphasis on the family, the church and good-neighbor relations."[13] The New Right has not put forth its own candidates as yet, but it has supported the most conservative Republican candidates in campaigns. Incidentally, this support is not automatically forthcoming: During the 1980 campaign the New Right pointedly criticized the Republicans who were, in their opinion, "hurting the conservative cause."

In simple terms, the strategy of the New Right consists in deriving political capital from the general dissatisfaction and profound disillusionment reigning in America today.

The activities of the New Right are backed up by a solid financial base and the use of the latest technical equipment for mass propaganda campaigns (especially election campaigns), particularly in the area of advertising and the mass media. It is no coincidence that the movement is headed by experts in fund-raising for political campaigns and in the formation of public opinion with the aid of the press, radio and television: Howard Phillips, Richard Viguerie and Paul Weyrich.

R. Viguerie, a 46-year-old Texan and a "wizard"--according to his rave reviews in the American press--at fund-raising for all types of campaigns, began his career in the 1960's as the executive director of Young Americans for Freedom. Since, in his words, he did not like to ask for people for contributions "in person," he began to create a "direct mail empire" in 1965. Millions of voters are sent pieces of mail asking them to vote for a particular political candidate and to contribute to his campaign. The Richard A. Viguerie Company (RAVCO) maintains that the names of from 10 to 20 million conservative "donors" are stored in its computers. Viguerie has turned this company into a prosperous organization which sends out more than 2 million letters a week and collected millions of dollars for the New Right treasury and for the support of ultraconservative politicians.

The most solid RAVCO clients include such rightwing organizations as the NCPAC, the Committee for the Survival of a Free Congress, the National Rifle Association and the Youth Committee for Responsible Policy. The company publishes the CONSERVATIVE DIGEST, NEW RIGHT REPORT and POLITICAL GUN NEWS. Viguerie filmed a television documentary, "The SALT Syndrome," which "starred" extreme rightwing Republican Senator J. Helms and other conservative politicians who oppose the treaty on the limitation of strategic weapons.

It must be said that "direct mail," as a relatively new way of uniting rightwing forces and financing their undertakings, has played an important role in the development and spread of the American conservative movement. Political candidates are seeking its support and are organizing this support to finance their campaigns and win votes.

After declaring that the big U.S. media, including all three television networks (ABC, CBS and NBC), magazines like TIME and NEWSWEEK and newspapers like THE NEW YORK TIMES and THE WASHINGTON POST, were "controlled by liberals," the

New Right decided to create an "alternative" system of communications to "reach the voters inclined to sympathize with its aims."[14] This "alternative" system is the "direct mail" method.

The "leaflets" used during the 1964 presidential campaign of conservative B. Goldwater--we should recall that he received a larger quantity of contributions (most of them small) than any other candidate before that time--represented an invaluable legacy for conservative organizations: After all, they contained the names and addresses of voters sympathizing with conservatives. The New Right and, above all, Viguerie acquired these leaflets and then used them in primaries and in general elections.

Various forms of activity by the New Right led to the disclosure of more and more new names of conservative voters, which were then stored in computers. By the middle of the 1970's Viguerie was able to address letters on behalf of, for example, a congressional candidate to the specific groups of voters who sympathized with conservative aims and whose addresses were stored in his computers. The same was done during a presidential campaign. This process proved most effective during the 1980 elections, when conservative candidates dealt their opponents a serious defeat.

After the 1980 elections the Democrats armed themselves with this method. However, as Viguerie boasts, the New Right "is 8 to 10 years ahead of the liberals in the use of direct mail and computer technology."[15]

H. Phillips heads another New Right organization--the Conservative Caucus, founded in 1974. It declared itself the "first organizing committee" with the primary goal of putting extreme rightwing candidates in elected offices and training campaign volunteer workers. Phillips maintains that the Conservative Caucus has 300,000 supporters, coordinators in 40 states and committees in 250 congressional districts (whose functions include the exertion of "mass pressure" on legislators).

The Conservative Caucus has an annual budget of around 3 million dollars. Although it is officially a nonpartisan organization, it unites "social" and "economic" conservatives and concentrates on exerting pressure from the right when decisions are made on various national issues. For example, the Conservative Caucus took an active part in the struggle against the Panama Canal treaty and against SALT II. It issues special publications telling how various congressmen voted on debatable issues--so-called "fact sheets"--combined with some form of commentary.

One of the New Right's leading organizations is the National Conservative Political Action Committee (NCPAC). It was founded in 1975 with the active assistance of hawk Senator J. Helms and other political leaders of extreme rightwing groups. The head of the committee, T. Dolan, is an expert in the use of the mass media. With the aid of the latest technology and the latest methods of political advertising, the NCPAC participates in campaigns on all levels and represents one of the main sources of campaign funds for conservative candidates. For example, with the aid of Phillips and other New Right leaders, Dolan organized and personally headed a group whose main objective

was the frustration of Senator E. Kennedy's attempts to win the 1980 election; what is more, this group was formed even before the senator officially announced his intention to run for the presidency.

Dolan and his committee begin their activity in the primaries, believing that a "well-placed dollar" in this "traditionally poorly financed race" will be much more useful than in the general elections, when money and technical support are much easier to acquire.[16] The funds collected by the committee are used primarily to influence public opinion with the aid of political advertising and the mass media. In 1978, for example, the NCPAC financed organized attacks on Democratic Senators D. Clark in Iowa, F. Haskell in Colorado and W. Huddleston in Kentucky. American political analysts believe that these actions played a part in the defeat of Clark and Haskell.[17]

The work of the NCPAC covers a broad range of activities: the selection of volunteers; the selection and preparation of conservative candidates for local, state and federal elective offices; the organization of sociological research and public opinion polls, including regular voter polls; the compilation of assessments of votes by senators and members of the House of Representatives in the U.S. Congress; the organization of campaign management schools for conservative candidates and campaign officials; the organization of various undertakings on the state level, including the financing and management of local rightwing groups. The committee's gubernatorial fund is used to support conservative gubernatorial candidates.

The New Right does not balk at anything in the pursuit of its political goals. It does not hesitate to distort the opinions of its opponents or to launch the most unscrupulous personal attacks on them. One example is the tactic of the campaign called "Objective-80," on which the NCPAC spent a million dollars; the campaign was aimed at the defeat of Senators F. Church, G. McGovern, J. Culver and B. Bayh. The New Right has employed this tactic in virtually every congressional campaign.

To undermine Church's position, his state, Idaho, was literally inundated with television commercials implying that he had always opposed a strong national defense. One of these films depicted an empty ICBM silo and blamed Church personally for its empty state. A television ad directed against Senator G. McGovern (he called it "poisoning the well") said: "When the country was seized by the energy crisis, George McGovern was touring Cuba with Fidel Castro."[18]

Literature sent out by the New Right through the mail called these senators "political murderers of babies" because they advocated the permission of abortions or, in the words of these missives, believed that "it is all right to murder unborn children by aborting them."[19]

As a result of the use of these unscrupulous methods, the NCPAC was charged with violations of campaign laws in four states and will have to appear before the Federal Election Commission. Nevertheless, the New Right set its sights on 20 new "targets" among the senators up for re-election--17 Democrats and 3 Republicans.[20]

A widely used New Right tactic involves uniting its efforts with so-called "task forces"--that is, the rightwing groups which are formed in order to perform a single task, such as the advocates of compulsory prayer in the schools, the opponents of abortion, the opponents of gun control, the opponents of "busing" and others. The New Right supplies the task force with trained personnel, research material and financial backing.

The New Right's closest political ally is the so-called "Christian New Right"--evangelical preachers whose skillful use of television and radio have turned them into national figures and influential politicians.[21]

America is the most religious of the major capitalist countries. A Gallup poll conducted at the end of 1977 indicated that 94 percent of the Americans believe in God or a "celestial being," as compared to 89 percent in Canada, 88 percent in Italy, 80 percent in Australia, 76 percent in Great Britain, 65 percent in the Scandinavian countries and 38 percent in Japan. In the same vein, 56 percent of the Americans believe that religion plays an "extremely important role" in their lives, as compared to 36 percent in Italy, 25 percent in Australia, 22 percent in France and 12 percent in Japan.[22]

A study conducted in 1981 by the New England Evangelical Association indicated that 350 of the 450 churches founded in New England in the last decade were evangelical or fundamentalist. Furthermore, around half of the 8,000 churches in New England are evangelical or fundamentalist: 70 percent in Maine, 60 percent in New Hampshire, 60 percent in Rhode Island, 58 percent in Vermont, 52 percent in Massachusetts and 49 percent in Connecticut.[23] This testifies that the church, particularly the evangelical church, is capable of influencing American public opinion substantially.

In 1978 and 1979 the leaders of the New Right--Viguerie, Weyrich and Phillips--made a vigorous effort to mobilize evangelists behind their platform. According to the CONSERVATIVE DIGEST (it is headed by Viguerie), "these three leaders decided that the millions of evangelists in America represent a political army awaiting mobilization. The two leading groups--the Moral Majority, headed by Falwell, and the Religious Roundtable, headed by McAteer--came into being as a result of meetings between Weyrich, Phillips, McAteer, Falwell and others in the beginning of 1979. According to McAteer, who introduced Phillips to Falwell, the term 'moral majority' was coined by Phillips and was first used publicly by Weyrich when he met with Falwell and his associates."[24]

Rabid anticommunism is characteristic of rightwing evangelists. Here are some examples of their propaganda. In his book "Listen, America," Falwell assures the Americans that communists reject moral values as "something without meaning."[25] He frightens Americans with the scarecrow of the "Soviet threat," asserting that "the communists want to take over the entire world," including America of course, and that "the Russians only understand force."[26] He asserts that the United States is "inferior" to the USSR in terms of "offensive" nuclear weapons by a ratio of 1 to 2, and in terms of "defensive" weapons by a ratio of 1 to 47! Falwell also exclaims that "from the standpoint of common sense, disarmament is insane"[27] and advocates the buildup of U.S. nuclear potential "in view of the dangerous and rapid spread of communism

throughout the world."[28] All of these lies are accompanied by quotations from the Bible.

In domestic policy the rightwing evangelists have invariably supported the conservative cause and have fought a fierce battle against all signs of "liberalism." They have been particularly active in local elections and elections to the U.S. Congress. They analyze the ways in which all senators and members of the House vote on various issues, publishing the results in a bulletin called the MORALITY INDEX, where their performance is evaluated from the standpoint of "biblical requirements." Falwell has even compiled a "code of minimal moral standards dictated by the Bible," against which the position of each member of Congress is "measured." He states: "We will inform the public through the mail, in periodicals and over television and radio of the position taken by each candidate for political office. We will give it a percentage rating in relation to moral issues and will inform the Christian public of who voted and how they voted."[29]

Rightwing evangelists are vigorously infiltrating the political sphere. They have organized fund-raising committees for conservatives and extreme rightwing candidates for elective offices and took an active part in the 1980 campaign to defeat the "liberals." Rightwing evangelical preachers are including more and more political statements in their religious radio and television programs, whose audience numbers, according to the data of the American press, around 47 million. As G. Jarmin from the Christian Voice, another political organization of rightwing evangelists, declared, these Americans are "true believers, and if their spiritual leaders tell them to register and vote, they will."[30] Under the conditions of the mass apathy of the American voting public, the rightwing evangelical movement has turned into a real political force.

In all, in the 1980 election the New Right and the evangelists supported at least 17 candidates for the Senate and 16 for the House of Representatives (both incumbents and new candidates). Of these, 14 were elected to the Senate and 11 were elected to the House.

Today it would be wrong to say that the New Right and the rightwing evangelical groups are capable of taking power independently within the near future. Ample proof of this can be seen in the fact that even Ronald Reagan, who was supported by the New Right in his 1980 campaign, made an effort to dissociate himself from this movement immediately after his arrival in the White House. Assessing the influence of the New Right on U.S. politics, researcher R. Childs wrote in an INQUIRY article: "The election of Ronald Reagan, whatever people might say, was an obvious rejection of liberal economic policy and its methods of controlling inflation and a protest against liberal social engineering. This election did not indicate, as all public opinion polls testified, real support for forcibly cultivated conservatism...or aggressive interventionist foreign policy."[31] Childs calls the New Right "a variety of cryptofascism." This is why Ronald Reagan dissociated himself from the movement and tried to gain the support of "traditionally conservative" groups in the country rather than extremist groups.

Incidentally, this does not mean that the current Washington administration has moved far away from the New Right. Many of its ideas lie at the basis of "Reaganomics" and of the present U.S. foreign policy line. It would not be wrong to say that the present composition of Reagan's cabinet satisfies, if not to the maximum then at least close to the maximum, the demands of the New Right (although neither side will acknowledge this officially). A brief look at the composition of the present administration provides enough proof of this.

California conservatives are quite solidly represented in it. These conservative "ideologists" occupy various offices in the administration and have in common their rabid anticommunism. This is a new phenomenon in the U.S. administrative hierarchy. Never before has the Defense Department been headed by an anticommunist "ideologist" of the caliber of C. Weinberger. Most of the President's closest advisers are California "ideologists." In American literature the group of conservative "ideologists" is described in extremely vague terms. In essence, this is a segment of the Republican Party ultraright wing which has announced a "crusade" against communism. The views of this group were put forth in most precise terms by Ronald Reagan when he addressed the English Parliament during his June tour of Western Europe.

This group proceeds from a premise which was refuted by history long ago--the "downfall" of Marxism and the declaration of the "superiority" of the capitalist system. It is no coincidence that the members of this group settled in California. In the last 2 years it has been "exporting" extreme rightwing conservatism and trying to extend it to all spheres of social and political life in the United States. This "California conservatism" stems from economic and political factors. They include, in our opinion, the transformation of California into the domain of the military-industrial complex and the center of the U.S. missile industry, as well as the aggressive nature of the financial oligarchy of the "Sun Belt," which is successfully contending with its northeastern competition.

When the California conservatives arrived in the White House, they tried to implement their ideas. They not only retained their view of the world but also continued to view global problems from the standpoint of their previous provincial, grass-roots "California conservatism."

As the midterm congressional elections in 1982 indicated, the domestic political situation in the United States has changed considerably since the time of the presidential election. On the one hand, it is obvious that the masses are disillusioned with "Reaganomics," and on the other there is mounting concern over the nation's dangerous foreign policy line. A powerful wave of antiwar feelings is rising, the "freeze movement" is growing stronger and more Americans are demanding the negotiation of strategic arms limitation and reduction. Current events have diminished the influence of the extreme right wing, are exacerbating the domestic political situation and are casting doubts on the viability and durability of the present conservative coalition, in which the New Right represents an important element.

FOOTNOTES

1. THE CHRISTIAN SCIENCE MONITOR, 4 November 1982.

2. R. Viguerie, "Ends and Means," in: "The New Right Papers," edited by R. Whitaker, N.Y., 1982, p 27.

3. INQUIRY, June 1982, p 30.

4. "The New Right Papers," pp IX-X.

5. D. Warren, "The Radical Center: Middle Americans and the Politics of Alienation," Notre Dame and London, 1976, p 21.

6. S. Francis, "Message from MAR's: The Social Politics of the New Right," in: "The New Right Papers," p 68.

7. U.S.A. TODAY, March 1981, pp 10, 11.

8. Ibid., p 11.

9. Ibid., p 10.

10. "The New Right Papers," p 78.

11. Ibid.

12. Ibid.

13. U.S.A. TODAY, March 1981, p 12.

14. W. Rusher, "The New Right: Past and Prospects," in: "The New Right Papers," p 11.

15. R. Viguerie, op. cit., p 31.

16. U.S.A. TODAY, March 1981, p 13.

17. Ibid.

18. Ibid.

19. Ibid.

20. Ibid., p 15.

21. For more about the rightwing evangelists, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1981, No 3, pp 86-90.

22. "A Religious Tidal Wave," ATLANTA CONSTITUTION, 10 September 1977.

23. K. Phillips, "Post-Conservative America. People, Politics and Ideology in a Time of Crisis," N.Y., 1982, pp 183-184.

24. CONSERVATIVE DIGEST, July 1981, p 2.

25. J. Falwell, "Listen, America," N.Y., 1980, p 71.

26. Ibid., p 74.

27. Ibid., pp 8-9.

28. Ibid., p 84.

29. U.S.A. TODAY, March 1981, p 14.

30. Ibid.

31. INQUIRY, June 1982, pp 33, 34.

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U.S.A. INSTITUTE ROUNDTABLE ON U.S. INFLATION (CONCLUSION)

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 83 (signed to press 20 Jan 83) pp 110-119

[Second part of discussion of "The Nature and Conditions of the Development of Present-Day Inflation in the United States" in the Institute of U.S. and Canadian Studies, USSR Academy of Sciences; passages rendered in all capital letters printed in boldface in source]

[Text] G. G. MATYUKHIN (All-Union Academy of Foreign Trade). It is now a recognized fact in Soviet scientific literature that the explanation of inflation as the overloading of monetary channels with currency is extremely inadequate for the present stage of capitalist development. Many economists feel that it must be regarded as a phenomenon stemming from many factors. As yet, however, the matter has not gone far beyond this thesis: The discussion of these many factors is carried from some articles and books to others without the addition of any significant new analytical elements. I believe that S. I. Ivanov's analysis does contain these new elements.

The main question concerns the causes of inflation. According to the speaker, the main cause consists in the replacement of the pricing mechanism which operates under the conditions of free competition with monopoly pricing, which is not capable of engendering inflation under all conditions, but only in the absence of gold-based currency (the present situation) and in the presence of surplus demand. I believe, however, that the main cause of inflation should be sought in the sphere of capitalist reproduction.

Present-day inflation is closely connected with the reproduction process and is a spontaneous reaction to the ineffectiveness of state-monopoly regulation and the inability of market forces to sustain the balanced development of production and distribution.

Although inflation is a monetary phenomenon, it can hardly be regarded as a product of the monetary sphere. Under these conditions, in my opinion, it would be more accurate to say that the monopolization of the economy, and not monopoly pricing, is one of the causes of inflation.

S. I. Ivanov feels that inflation is a rise in prices, but monopoly prices can be high or low.

Furthermore, when the discussion turns to price levels, I for one have always been interested in whether inflation is a transfer from a rise in price levels in the ratio 2:4:8 to a different ratio of 4:8:16 or whether this is simply a rise in the cost of living. Here I would like to say that economists have been too quick in categorizing any rise in prices as inflation. We should return to the earlier division of monetary devaluation into a rise in the cost of living and inflation. In this case, however, we could hardly agree with those who assert that the devaluation of paper currency in relation to gold is a criterion of inflation.[1]

Incidentally, one of the positive features of S. I. Ivanov's report is his exposition and support of the opinion of E. S. Varga, expressed by him during debates in Germany in 1912, that a change in the cost of mining gold cannot cause inflation.[2] It is extremely important to re-emphasize this fact because the opposite opinion can still be encountered in our literature.[3] One of the reasons for this might be the fact that we do not always distinguish precisely between pre-monopolistic inflation and present-day inflation, which could more precisely be called inflation of the era of state-monopoly capitalism. But this distinction could evidently eliminate many disputes and misunderstandings.

It is equally important to clarify the matter that inflation has, so to speak, two faces: economic and sociopolitical. It is precisely for this reason that when we say that the main cause of inflation should be sought in the sphere of capitalist reproduction, we are referring to its economic aspect. Its other aspect, the sociopolitical one, stems from class relations in the bourgeois society, and these are the main cause of its appearance in its second guise.

S. I. Ivanov's thesis that the causes of inflation must not be confused with its conditions is interesting. In his opinion, the rise in prices degenerates into an inflationary process only under certain conditions. Unfortunately, he cites only two conditions--the absence of banknotes convertible into gold and the presence of surplus demand, and both of these conditions are part of the monetary sphere. In my opinion, conditions for the development of inflation are created primarily in the sphere of physical production (structural changes in the economy, the progression of the economic cycle, etc.) and in the antagonistic sociopolitical contradictions of bourgeois society, which are reaching the point at which the direct redistribution of national income in favor of the wealthier classes has become extremely difficult and indirect forms of redistribution, particularly inflation, are becoming more important. One of the results of all these processes is surplus demand.

This is an extremely interesting phenomenon, but it must be approached with great caution. There is demand-related inflation and supply-related inflation. In the West, however, the first has been raised to the status of an absolute, which allows bourgeois economists to concentrate on arguments convenient for the dominant class. In line with this, bourgeois governments try to combat inflation with the aid of either credit or fiscal policy in order to reduce surplus demand at the expense of the working public. The failure to analyze capitalist production relations as a whole as the main cause of inflation dooms all anti-inflationary measures to failure.

V. A. FEDOROVICH (ISKAN [Institute of U.S. and Canadian Studies, USSR Academy of Sciences]). Under the conditions of the capitalism of the last quarter of the 20th century, inflation is a phenomenon stemming from many factors. The approach to its genesis must be comprehensive because it must be studied jointly by experts on monetary matters and economists engaged in the analysis of the development of social production, especially deep-seated processes in the capitalist economy.

In this connection, I would like to stress that the term "surplus demand" proposed by S. I. Ivanov can only be a general category and does not reveal the factors, conditions, elements and socioeconomic content of inflation or explain how it is engendered under capitalist conditions.

During the era of pre-monopolistic capitalism, the prices of goods were supposed to be equivalent to their value. There is no question that this general theoretical premise is still valid. In reality, however, even in the 18th and 19th centuries there were significant deviations from this principle. Prices took a gigantic leap during periods of bourgeois revolution in Europe, during the Franco-Prussian War, during the Crimean War and in many other cases, and this was connected with the overloading of circulation channels with currency. But this was apparently primarily a rise in prices, and not inflation as such. Similar processes were seen in the world capitalist economy at the beginning of the 20th century.

In our opinion, the inflation of present-day capitalism is a complex socioeconomic phenomenon. It is a unique phenomenon in the monetary sphere, reflected primarily in rising prices and the overloading of monetary circulation channels. Inflation leads to the further exacerbation of contradictions and class conflicts and more pronounced polarization between privileged and underprivileged classes.

The main causes of inflation include the violation of the proportions of social reproduction, engendered by the very nature of present-day American state-monopoly capitalism and the crisis in state regulation. Another cause is militarism and the arms race, because state military management requires colossal expenditures on the creation of non-commercial goods--military products--and the consumption of crude resources, semimanufactured materials and manpower for non-production purposes. In the final analysis, this signifies the exclusion of colossal quantities of material and non-material wealth from society's resources.

Public administration in the United States, which is marked by a chronic budget deficit, has made a significant contribution to inflationary processes in another way as well. The state as entrepreneur, simultaneously a huge debtor (the U.S. public debt in fiscal year 1982 exceeded a trillion dollars) and the principal borrower in the money market, creates a broad base for monetary manipulations of the treasury and of private capital. They are connected with the refinancing of government debts, the circulation of checks, etc. Besides this, it is through the channels of public administration that huge federal expenditures on the maintenance of retired servicemen are made, and this also escalates inflationary processes. Finally, it is equally

important under U.S. conditions that general economic instability is only a traditional element of inflation.

The technological revolution also influences the processes of monetary circulation. Although it might not seem at first that there is a direct connection between the technological revolution and the financial machinery of capitalism, it does manifest itself in quite visible ways. It might seem that the technological revolution, by accelerating the growth of social production and labor productivity, should reduce production costs and, consequently, either stabilize the prices of goods or at least keep them more in line with overhead costs. The postwar development of the United States is a vivid example of other tendencies. The technological revolution, which accelerates the development of all of the contradictions of state-monopoly capitalism, sometimes has a peculiar effect on the inflationary rise of prices and plays a part in the disruption of monetary circulation. In many cases, the rise in prices far exceeds the rise in labor productivity, despite the accelerated rates of scientific and technical progress, and causes a disproportionate rise in the profit margin. The customary, and quite justifiable under these conditions, reference to monopoly pricing explains only one side of this matter.

In Japan, where the rates of scientific and technical progress are much higher than in the United States, there is almost no unemployment, military spending still cannot compare to U.S. and West European expenditures, the rate of economic growth is still high and labor productivity is still rising. In terms of the scales of inflation, however, Japan ranks second to the United States, and is sometimes even in the lead. Apparently, here the technological revolution is promoting the birth of special forms of monopolistic production organization, is stimulating the growth of productive forces and is thereby creating special conditions for monopoly pricing and financial maneuvering by monopolies.

YU. I. BOBRAKOV (ISKAN). Present-day inflation in the West and its driving forces are indissolubly connected with the very essence of present-day capitalism and reflect the changes state-monopoly capitalism and its development make in production and distribution. This is particularly true of the production sphere.

Obviously, it is not enough to confine the discussion to monopoly pricing as a cause of inflationary processes. It is characteristic of monopolistic capitalism in general, but the nature and development of inflation in today's state-monopoly economy are quite different from the inflation of the past, and this must be regarded as an immutable law in the discussion of present-day inflation.

It would seem that the main cause and the leading factor contributing to present-day inflation is the chronic violation of the proportions of capitalist reproduction due to the development of state-monopoly capitalism, the contradictions of state regulation and the militarization of the economy. The systematic "priming" of government demand during the postwar decades, connected with the policy of stimulating economic growth and with the rising military expenditures of the government, has led to the chronic deformation of the

mechanism governing the interaction of public demand and production. This deformation means that total consumer demand always exceeds the production potential of the economy, creating more pronounced imbalances between various branches, promoting the rise of market prices and making this rise chronic.

This natural tendency in the inflationary process is most vividly seen in the United States, the country with the most highly developed state-monopoly capitalism. The chronic rise in prices is a phenomenon characteristic of the U.S. economy in the years after World War II, when the development of state-monopoly processes grew intense, when the stimulation of economic growth was raised to the rank of state policy (1960's) and when government demand grew constantly and at an unprecedented rate, particularly military demand. Prior to World War II, there was no continuous rise in prices in the United States, and inflation was still present in what could be called a classic form. It is also indicative--and the speaker correctly pointed this out--that even when prices rose in the 1930's, the level in 1940 did not match the pre-crisis level of 1929. In the postwar period, on the other hand, price dynamics have been distinguished only by a constant rise. There have been periods during which the RATE OF INCREASE has slowed down, but price levels have never dropped.

Prior to the mid-1960's the rates of the inflationary rise of prices were relatively low in the United States (2-3 percent a year) and this gave bourgeois economists and government officials grounds to assert that the "new" strategy of state regulation could supposedly ensure the "inflation-free growth and development" of the economy. Reality wrecked these plans. The intensive development of inflationary processes in the 1970's and the rise of price increase rates to double-digit figures were not only a result of the crisis-related exacerbation of economic problems at that time, but also the "fall-out" from conflicts accumulated over previous years due to the deficit financing of economic growth and the issuance of excessive amounts of currency and government bonds. Chronic and acute inflation contributed to a general decline in the effectiveness of the U.S. economy, slowed down investment processes and lowered the standard of living for broad segments of the population. It grew into an extremely pressing problem, and no U.S. administration was capable of dealing with it.

Inflation intensified crisis-related processes in the economy. In the 1970's this was clearly reflected in stagflation--that is, inflation combined with economic stagnation, a new and particularly bad experience for the U.S. economy. The capitalist economy's stagflationary illness is one of the most acute economic symptoms of the continued exacerbation of the general crisis of capitalism. The development of stagflation is perhaps the most vivid reflection of the contradictions of present-day state-monopoly regulation, as revealed by the 26th CPSU Congress. "By taking measures against inflation," it was said at the congress, "bourgeois governments are promoting the stagnation of production and the growth of unemployment; by striving to restrain the crisis-related decline of production, they are intensifying inflation even more."[4]

The rate of inflation decreased somewhat in 1981 and 1982 as a result of a severe economic crisis and a rise in unemployment that was unprecedented in

the postwar period. Now, however, the prerequisites for a new spiral of inflation are already maturing.

G. P. SOLYUS (Moscow Institute of Finance). I cannot object in principle to S. I. Ivanov's statements about the causes and conditions of inflation. I also believe that monopoly prices play a significant role in the devaluation of money. But the rise in monopoly prices is not an adequate explanation for inflation.

After all of the debates of the 1970's, three opinions about inflation were clarified. According to the first, which I find incorrect, inflation is the overloading of monetary circulation channels with currency. I will quote one of the supporters of this view--S. A. Dalin:

"The total quantity of goods (in the United States--Editor) increased during that time (1953-1964--G. S.) at almost twice the rate of the quantity of paper money, which attests to the absence of inflation at that time. And the wholesale price index rose 11 percent during that period, which was the result of a rise in monopoly prices, and not inflation." He then goes on to say: "Another aspect of the rise in prices is the devaluation of paper money throughout the capitalist world. It is an integral part of the present currency crisis."[3]

Let us look at another definition from the book "Inflyatsiya v usloviyakh sovremennogo kapitalizma" [Inflation Under the Conditions of Present-Day Capitalism], edited by L. N. Krasavina (Moscow, 1980, p 12): "Proceeding from the established view in Soviet economic literature of inflation as a complex process stemming from many factors, we can define inflation as a violation of the law of monetary circulation due to imbalances in the process of capitalist reproduction." Of course, this definition is a step forward in comparison to the previous one, but it also assigns priority to the overloading of monetary circulation channels; stop violating the law of monetary circulation, and everything will be fine....

Here is a third definition of inflation, which is the most popular one and seems to be the most fundamentally correct one: "Inflation is the devaluation of money." The devaluation can be due to many causes, including a rise in monopoly prices.

In my opinion, three factors now PREDETERMINE inflation. The first is monopoly pricing. S. I. Ivanov's discussion of this was quite thorough and convincing, but not everyone will agree with him. Here, for example, is something that can be read in a recently published book by a group of authors from the Institute of World Economics and International Relations, edited by A. G. Mileykovskiy and I. V. Osadchaya, "Novyye tendentsii v gosudarstvenno-monopolisticheskom regulirovanii ekonomiki glavnykh kapitalisticheskikh stran" [New Trends in State-Monopoly Economic Regulation in the Major Capitalist Countries]: "We cannot agree with the authors who say that the inflation which contributes to a high cost of living is a spontaneous result of the escalation of prices by monopolies. It would be more correct to say that inflation has become one of the prerequisites for the systematic escalation of prices by monopolies under

the conditions of current methods of state-monopoly economic regulation" (Moscow, 1981, pp 60-61). In defense of S. I. Ivanov's view, I must point out a contradiction in this statement: It speaks of inflation as a contributing factor in the rising cost of living, but what causes the cost of living to rise? Is it not true that the escalation of prices by monopolies plays a part in this process?

The second factor is state-monopoly economic regulation. It consists, in particular, in government purchases of goods at inflated prices. Researchers from IMEMO [Institute of World Economics and International Relations] estimated that the cost of these purchases is approximately 30 percent above the average. The rise of these prices spreads to all prices in a chain reaction, and the volume of government purchases in the United States is no longer measured in tens of billions of dollars, but in hundreds of billions. Other forms of economic regulation also escalate inflation. Above all, this certainly applies to military expenditures. The rise of taxes, particularly indirect ones (for example, added value tax), is also part of state regulation. These increases are included in prices, which then rise and escalate inflation.

I agree with the researchers who believe that not every rise in prices is inflationary, but every kind of inflation will raise prices. Monopoly prices have risen continuously in the 20th century, but inflation has not been present at all times.

The third cause of inflation is the uneven development of capitalism. For example, labor productivity in some branches of the U.S. economy is already lower than in Japan and the FRG. This fact and others indicate that the United States will be unable to compete with these countries in many areas of foreign trade. The result is a deficit in the U.S. balance of trade. The United States often needs to cover this deficit not with dollars, but with yen or West German marks. The demand for dollars declines while the demand for yen and marks rises. This puts the law of supply and demand into effect. If the demand for dollars declines, the dollar loses value. When people today speak of devaluation, they are not referring to a drop in the value of a particular currency in relation to gold, as the term is defined in old textbooks, but in relation to other currencies. This inflationary devaluation is inflation.

There are also other factors contributing to inflation.

M. I. ZAKHMATOV (ISKAN). In this report, an attempt is made to find the main cause of inflation from among many causes, and I feel that the attempt was successful. Whether we speak of the "monopolistic rise of prices," of "the monopolistic pricing mechanism" or of "monopolies as the deciding factor in the inflationary rise of prices"--speakers proposed these clarifications--it is clear that the "monopoly" is the principal factor here and the main reason for changes in the pricing mechanism leading to the current inflationary rise of prices. At a time when, in the United States for example, three or five or seven huge companies control all production and sales in all of the main branches of the economy, it is not particularly difficult for them to agree on price levels in secret. As the concentration and centralization of capital and production become more pronounced, there is more opportunity to pursue an

inflationary pricing policy. But now, after all, this process is transcending national boundaries and becoming international.

Speakers referred to the automobile industry and said that at one time there was one ratio of expenditures on labor to material requirements in this industry, but now there is another as a result of heightened material requirements. But prices rose in a completely different ratio than this and the highest rise was seen in compact cars: They rose under the influence of demand. The deciding factor in pricing was the fact that the automobile industry is now dominated by two or three American firms and three or four foreign ones, and not by several dozen companies as at the beginning of the century. They are also the price leaders and regularly raise prices even during periods of economic crisis and recession. This degree of monopolization allows them to work on customer orders and avoid the risks of mass merchandising.

In connection with this, it seems that the gap between retail prices and production costs and prices must be borne in mind when the role of production costs in inflationary pricing is being determined. This gap is now colossal. Many trinkets would now cost a few cents if they were sold at production prices, but their retail prices are measured in dollars. This is made possible only by monopoly pricing.

"Price leadership" and "administered prices" refer to a widespread monopolistic practice in the United States, and the fact that there have been no extreme inflationary reversals in the postwar years obviously proves that the monopolies were acting gradually and "according to plan," taking care not to create the kind of reversals that would have a negative effect on economic conditions. Even the curve of the accelerated rise in prices in the 1970's does not show the peaks characteristic of the inflation of the first and second world wars and the postwar confusion.

The speaker underestimates such factors as the mechanism of state economic regulation and the federal budget and says that surplus demand, or the increase in consumer demand, is the second most important inflationary factor. I feel that the second place should be assigned to the system of state regulation, which ultimately contributes to inflation. We cannot say that a budget deficit alone leads to inflation because inflation engendered by state-monopoly economics can exist even in the absence of a deficit.

There is no question that labor productivity influences production costs. It has always been one of the cardinal factors determining the quantity of goods produced and, consequently, the correlation of commercial prices. Under the conditions of monopoly pricing, however, a rise in labor productivity and a drop in production costs often lead to higher prices, and not lower ones.

V. A. NAZAROV (Academy of Social Sciences, CPSU Central Committee). Some economists believe that the main reason for the intensive rise in U.S. price dynamics is the domination of the economy by imperialist monopolies. The magnates of capital take advantage of this situation for the continuous escalation of prices. There is no question that the total monopolization of the

production and sale of any particular commodity transforms pricing in this market from a spontaneous process, conducted "behind the manufacturer's back," into an object of purposeful monopoly activity and makes the establishment of arbitrary prices, and particularly the continuous escalation of prices, POSSIBLE. But something that is possible might not be EXPEDIENT. The main goal of monopoly activity is the maximization of profits, and not prices, and under certain conditions excessively high prices can conflict with this goal.

Above all, we must remember that the size of the profit, all other conditions being equal, depends on the quantity of products sold as well as on the price. Furthermore, as K. Marx proved, a price increase is a factor reducing purchasing power with regard to the given commodity, and this reduces the quantity of products sold; the drop in demand accelerates as the price rises. This means that there is always a monopoly price ceiling and that any attempt to go beyond this ceiling will reduce profits. There is no reason to believe that this ceiling and, consequently, the high monopoly price must rise continuously. The interest in maximum profit sometimes requires a price increase, and sometimes a decrease (particularly when the increase in profits due to the higher demand for the product as a result of the price decrease covers the losses stemming from the reduction). In particular, conditions demanding a decrease in high monopoly prices can be created during crises of overproduction.

These assumptions can be illustrated with facts from U.S. economic history. The economy here was already being dominated by imperialist monopolies at the beginning of the 20th century, but this did not engender a tendency toward rising prices, not to mention a continuous rise, during the period between the two world wars. In 1939 consumer prices were equivalent to around 70 percent of 1920 prices, and wholesale prices were only half as high. Furthermore, even average annual data testify that wholesale prices dropped by 32.8 percent during the crisis of 1929-1933, and 10.6 percent during the crisis of 1937-1938.[6]

We should also remember that the system of monopoly prices includes low prices as well as high ones. If we acknowledge that the main reason for the overall rise in prices in the postwar period is monopoly policy, it is obvious that the monopolies should be able to conduct the opposite policy, or one which lowers prices, when they buy up all the goods in non-monopolized branches. Despite the fact that the monopolies do not extend their price increase policy to the goods they buy at low monopoly prices, the low and high prices have increased in the postwar period. For example, the prices paid for agricultural goods by the monopolies in branches for the processing of agricultural raw materials and by trade monopolies when they buy them from farmers have displayed a clear tendency toward increase--they have approximately tripled in the postwar period.

All of this testifies that the main causes of the continuous rise in the prices of most goods in the United States in the postwar period should not be sought in monopoly pricing in itself, but in the objective conditions which make it expedient for monopolistic capital to use the possibilities inherent in monopoly pricing to raise prices, which force it to raise even low monopoly prices

and which make the rise in the cost of living irreversible even in the case of noninflationary prices.

What is more, it is important to consider the fact that although U.S. prices have risen almost continuously throughout the postwar period, in the 1970's the rate of increase was relatively low (consumer prices rose 22 percent over the entire decade of the 1950's and 26 percent over the 1960's). In the 1970's inflation ceased to "creep" and began to "gallop"; prices doubled (an almost quadruple increment). At the same time, the gap between the growth rates of all media of circulation and payment and of total commodities (which are generally considered to be equal, although with some provisions, to the GNP in constant prices) increased from 3.8 percent in the 1960's to 36 percent in the 1970's, or almost 10-fold.[7] These figures would seem to indicate that the accelerated rise of prices in the 1970's was the result of the "classic" cause of inflation--a rate of increase in the means of circulation and payment which exceeded the rate of increase in the demand for them for purposes of commercial exchange. There are, however, some factors which complicate the matter.

For example, the price increase rate was influenced considerably by factors unconnected with this "classic" cause of inflation. These include, for example, the series of dollar devaluations which, just as any devaluation, raised the cost of imported goods when their prices were calculated in dollars. In 1972-1974, for example, agricultural prices soared as a result of a streak of bad harvests. In 1973 and 1974 the wholesale prices of wheat and rice, for instance, tripled. The multifold increase in the prices of petroleum and petroleum products in the 1970's was also due to a group of causes lying outside the "classic" dynamics of commodity and money mass correlations.

Therefore, the effects of many factors and defects of the present-day capitalist economy are all reflected in the continuous rise of prices.

VL. I. RIGIN (USSR Gosplan). Inflationary processes in the American economy have serious international implications. For a long time, U.S. economic policy has stimulated inflation and has therefore been one of the main factors disrupting the world capitalist monetary system. In many Western countries, the overloading of their channels of monetary circulation with surplus currency from the United States constantly nurtures inflation. The quantity of Eurodollars circulating in Western Europe alone has reached an astronomical level: The total has been estimated at over a trillion dollars. This huge money mass roams around Western Europe because neither national boundaries nor local legislation pertaining to currency and financial operations present it with any serious obstacles.

Pointing out the "disorganizing role" of Eurodollars in the financial affairs of this region, former French Foreign Minister M. Jobert made the following comment in December 1979 when he was interviewed by the Paris magazine FORUM INTERNATIONAL: "Today a thousand billion Eurodollars, the dollars that make their home anywhere but the United States, which does not want to accept them, are sowing inflation and chaos in the world.... The United States should not pay its foreign debts by issuing paper money which it can then refuse to accept."

The continuous increase in the quantity of dollars circulating in Western Europe vividly reflects the vigorous activity of American TNC's. They are directly to blame for the export of inflation from the United States to Western Europe and to other regions where they rush into the race for superprofits.

The use of U.S. dollars in international transactions in the purchase and sale of petroleum, a commodity in great demand, plays an important role in the continuous growth of the quantity of American currency circulating in the capitalist world. Repeated attempts by several states to change this practice, which was forced on them by American monopolies, have not produced any positive results. Every time the OPEC countries consider the possibility of rejecting the dollar as the unit of payment for this fuel, U.S. corporations, which still actually set the tone in the international capitalist liquid fuel market, find the necessary leverage to prevent them from making any decisions that would be to the detriment of these firms.

The "interest rate war" that has broken out between the United States and its main trade rivals is another indication of the way in which American TNC's completely disregard the serious negative consequences of the escalation of inflation in the Western countries. Washington artificially raises these rates and then deliberately influences the movement of capital in world money markets in its own interest: While it is strengthening the position of the American dollar, it is inflicting perceptible injuries on the economic interests of its competitors. French Minister of Finance J. Delors assessed the damages France had incurred as a result of the high American interest rates combined with the "floating" exchange rate of the dollar. In his words, this U.S. policy is raising the cost of French imports of energy resources and many other raw materials by at least 30 percent a year.

As Italy's REPUBBLICA newspaper ascertained in June 1981, "for more than 10 years the American empire has represented a strong destabilizing force in the world (capitalist--Yu. R.) economy. The new wave of inflation is not the result of the oil crisis, but of the dollar offensive."

It is not surprising that the question of U.S. responsibility for the "destabilization" of Western finances was vehemently raised by the United States' partners and rivals at a meeting of the leaders of the "Big Seven" in Versailles in June 1982. The discussion of this question indicated that Washington, which still associates the maintenance of high interest rates with the objectives of the struggle against inflation in its country, essentially intends to continue acting "from a position of strength" in its international financial policy.

The main victims of inflation in the capitalist world are, of course, the developing countries. Inflation undermines their balance of payments and constantly augments the huge foreign debt that has become such a heavy burden on their economies. With its economic policy, the Reagan Administration is actually helping to destabilize the economy in the developing states. It is precisely on them that American and other monopolies are placing much of the burden of the negative consequences of the inflation they themselves have engendered.

YU. A. CHIZHOV (Institute of the Economics and Organization of Industrial Production, Siberian Department of the USSR Academy of Sciences). We must move from the analysis of present-day inflationary factors to their quantitative interpretation. Quantitative assessments, however, necessitate strict statistical definitions of the indicators being examined. One of the main questions which arises in this connection is whether every rise in prices is inflationary. Correctly noting that non-inflationary components are also present in the general indicator of the GNP price deflator, the speaker then employs this deflator as the sole and complete indicator of inflation, but this is incorrect.

A few computations will "purge" GNP price dynamics of some non-inflationary elements. First of all, there were periodic declines in labor productivity in the United States in the 1970's, and this increased the cost and, consequently, the price of products. For example, in 1974, when the price deflator in the private sector rose 9.4 percent (in comparison to 5.4 percent the previous year), labor productivity, calculated as output per man-hour, fell 2.[illegible] percent. Besides this, labor productivity declined annually in 1978-1980, or during a period of a steady rise in the price increase rate (7.4, 8.8 and 9.2 percent).

Another factor which is also not connected with domestic economic causes of inflation is the rise of import prices. For example, energy-related commodities (gasoline, electricity, gas, coal and others) accounted for 2 percent and 1 percent respectively of the total increase of 11 percent and 8 percent in U.S. consumer prices in 1974 and 1975. My calculations, conducted by the total expenditure method with the aid of a U.S. intersectorial balance, indicated that 27 percent of the rise in agricultural prices in those same years was due to the higher import prices of petroleum and petroleum products. The same indicator was 10 percent in the chemical industry, 6 percent in the food industry and 4 percent in machine building. The total impact of the rise in import prices can be calculated with the aid of macroeconomic models. For example, according to my calculations, the rise in the import price of oil in 1974 led to an additional increase of 1.0-1.2 percent in the GNP price deflator and 1.5-1.8 percent in consumer prices. Similar estimates by Western economists ranged from 0.5 to 1.1 percent. The rise of the world prices of petroleum and some other raw materials also "contributed" to the rise of domestic prices in 1979-1980.

The results of these computations prove that the rise of prices, at least during periods of the greatest price increases in the United States--1974-1975 and 1979-1980--was sustained along with inflationary factors by the drop in labor productivity and the rise in the prices of imported goods not competing with goods of national manufacture.

S. I. Ivanov raised an interesting question about the influence of surplus demand on prices. I would like to point out one fact which was not mentioned in the report but might be productive for future analysis. During the crises of the 1950's and 1960's, as the data cited by S. I. Ivanov in one of his works, indicate, the growth of domestic surplus demand exceeded the growth of the GNP by the amount of the price increment. In the 1970's we find the

opposite: Domestic surplus demand stayed ahead of the GNP increment during periods of cyclical recovery and the GNP increment exceeded the growth of surplus demand during the stagflationary crises of 1969-1970 and 1974-1975. The situation was similar in 1980, the first year of the current economic crisis.

One of the possible causes of stagflation in the 1970's was the effect of the federal budget deficit on prices. This influence was assessed by means of econometric calculations of the connection between the rate of increase in U.S. consumer prices and the federal budget deficit between 1953 and 1978. The calculations showed that the deficit had a statistically significant effect on prices only in 1967-1969, 1971-1974 and 1977-1978--in other words, during periods of large and long-term deficits.

Furthermore, it was learned that there is a fairly consistent lag in this influence--an increase in the budget deficit accelerates the rise of consumer prices after a delay of 4-6 quarters. In the dynamics of investment commodity prices, the interval is even longer: Under the influence of an increase in the deficit, their rise is accelerated 1 or 2 quarters later than consumer prices.

Some of the results of experiments with the use of U.S. quarterly statistics and my alternative forecasts based on macroeconometric models of the U.S. economy for 1983-1984 suggest that, despite the Reagan Administration's anti-inflationary measures, the complete failure of its attempts to cope with the huge federal budget deficits of fiscal years 1981 and 1982 will keep the rate of inflation high in 1983 and 1984.

Summing up the results of the discussion, ISKAN Deputy Director G. Ye. Skorov noted that many interesting comments had been made during the exchange of views. Much of the credit for this must be given to Professor S. I. Ivanov, who raised a number of new and interesting questions in his report. Not all of his statements could be accepted, but even the debatable ones will indisputably provide food for thought and stimulate the search for new answers. At the same time, the critical comments made by speakers could be useful to S. I. Ivanov in the clarification of his theory. In essence, it is that the main cause of inflation is the very functioning of state-monopoly capitalism, which intensifies the process of the monopolistic rise of prices. The majority of speakers agreed with this.

The problems which still require serious analysis include, in particular, the peculiarities of inflation in the 1970's and the ways in which it differs from the inflation of the 1950's and 1960's, not to mention the pre-war variety; the phenomenon of stagflation; the influence of military production on the inflationary rise of prices; the international aspects of inflation.

Although we, just as many of our predecessors, have not been able as yet to determine the political economic essence of present-day inflation, in our discussion we did at least reach an agreement on what should not be regarded as inflationary. This in itself is an important advance in the study of this problem.

FOOTNOTES

1. MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, 1978, No 10, p 80.

2. "Den'gi i denezhnoye obrashcheniye v osveshchenii marksizma" [The Marxist View of Money and Monetary Circulation], edited by K. F. Shmelev and A. B. Shtern, Moscow, 1929, pp 137, 141.

3. See, for example, A. Gal'chinskiy, "The Mechanism for the Performance of Value Measurement Functions," MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, 1980, No 7.

4. "Materialy XXVI s"yezda KPSS" [Materials of the 26th CPSU Congress], Moscow, 1981, p 20.

5. MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, 1978, No 10, p 90; 1975, No 3, p 65.

6. "Historical Statistics of the United States. Colonial Times to 1970," pt I-II, Wash., 1970, pp 199, 210, 211.

7. "Statistical Abstract of the United States 1980," pp 439, 543.

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